



# 2024

## APPOTRONICS CORPORATION LIMITED

Environmental, Social and Governance (ESG) Report





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# About This Report

This report is the 2024 Environmental, Social, and Governance (hereinafter referred to as “ESG” ) report of Appotronics Corporation Limited (hereinafter referred to as “Appotronics” , “the Company” , “we” , “us” or “our” ,stock code 688007.SH). As the sixth consecutive non-financial information disclosure report published since the listing on the STAR Market, this report systematically presents the practical achievements of the Company and its subsidiaries in the ESG field, responding to the concerns of stakeholders. We have always adhered to the concept of sustainable development, actively practiced corporate social responsibility, and promoted the high-quality development of the Company.

## Report Scope

This report is an annual report, covering the period from January 1, 2024, to December 31, 2024 (hereinafter referred to as the “reporting period” ). To improve the report’ s completeness, some contents hereof may extend to periods before and after the reporting period.

The report scope covers Appotronics and CINEAPPO Laser Cinema Technology (Beijing) Co., Ltd. (hereinafter referred to as “CINEAPPO”) and Formovie (Chongqing) Innovative Technology Co., Ltd. (hereinafter referred to as “Formovie” ), with the disclosure caliber consistent with the annual Financial Report. Unless otherwise specified, the currency amounts mentioned in this Report are uniformly denominated in Renminbi (RMB). The report data and case studies are sourced from the Company’ s official documents, internal statistics, and summaries.

## Basis for Preparation

This Report is mainly prepared mainly based on the Guidelines of Shanghai Stock Exchange on Self-regulatory Supervision of Companies Listed on the STAR Market No. 13 – Preparation of Sustainability Report and the Sustainability Reporting Standards from the Global Reporting Initiative (GRI standards), while also referring to the United Nations Sustainable Development Goals (SDGs), the Recommendations of the Task Force on Climate-related Financial Disclosures of the Task Force on Climate-related Financial Disclosures (TCFD)., and the Guidelines for Compiling Corporate Social Responsibility Reports in China (CASS-ESG5.0).

## Confirmation Explanation

The financial data in the Report is sourced from the 2024 annual report of Appotronics, while other data is provided through internal or manual compilation. In case of any discrepancies between the data in this Report and in the Company’ s annual report, the data in the Company’ s annual report shall prevail. The Chinese version of this Report has been reviewed by the Company’ s management and approved by the Board of Directors on April 28, 2025.

## Access to the Report

This report is the English version. In case of any discrepancies between the English and the Chinese versions of this Report, the Chinese version shall prevail. In response to the national call for carbon peaking and carbon neutrality goals, the Report is only available in electronic format. Please visit the ESG page on the official website of Appotronics (www.appotronics.com) or visit the Shanghai Stock Exchange (www.sse.com.cn) to view and download this Report.

Our email for Appotronics’ ESG practices is [csr@appotronics.com](mailto:csr@appotronics.com).

We look forward to your comments and suggestions.

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# Message from the Chairman

As revealed in the Global Development Report 2024, the world is undergoing a “new period of turbulence and transformation” . On one hand, the global landscape is evolving rapidly, driven by a new wave of technological revolution and industrial transformation. On the other hand, geopolitical tensions persist with frequent local conflicts and turmoil.

Despite this volatility in the external environment, Appotronics remains steadfast in our commitment to sustainable development. Anchored in technological innovation, we actively embrace changes, seeking common development with global partners with an open and cooperative attitude. We strive to enhance human life experiences by leveraging semiconductor laser technologies.

When entering the sixth consecutive year of publishing stand-alone ESG reports, we have deepened our environmental, social, and governance initiatives while expanding the societal value of corporate citizenship through diversified innovations. Recognition such as the Wind ESG Grade A Rating, Golden Bull Award ESG Top 100, and ESG Golden Dawn Award have testified to our long-term dedication to ESG excellence. In detail, our key achievements in the ESG field include:

In the dimension of technology innovation, the advent of the AI era has unlocked vast application potential for semiconductor laser technologies. We actively embrace AI advancements. Our AR glasses optical modules that align with the “AI + AR” trend will help our partners accelerate their time to bring products to market. Large language models like DeepSeek now enhance daily operations, empowering the employees in research and development and intellectual property management. Over the past three years, we have invested over RMB 100 million in fun-

damental research, sustaining robust momentum in original innovation.

At the same time, our automotive optics business achieved a breakthrough, surpassing RMB 600 million in annual revenue from scratch. Two new cooperative vehicle models were manufactured in 2024, including the AITO M9, equipped with our industry-first automobile-grade projection giant screen, which secured over 200,000 firm orders within 12 months of launch. This translates to tens of thousands of consumers daily benefiting from our innovations. Our automotive quality systems and supply chain capabilities have been rapidly improved, attaining global top-tier OEM standards through the most rigorous audits by leading global automobile manufacturers.

In the field of environmental responsibility, our ALPD® technology continues to drive low-carbon transitions. Up to now, we have helped cinema clients save approximately 682 million kWh of electricity, equivalent to reducing over 0.5868 million tons of CO<sup>2</sup> emissions. This impact is growing as overseas adoption expands, showcasing the practical contributions of this Chinese solution to global energy structure optimization.

In early 2025, we inaugurated our new headquarters building. This building was designed and constructed under Shenzhen Green Building Standards in every detail, embodied by low-energy consumption design, sponge city system, soil conservation projects, and biodiversity protection, etc. The inauguration of the new headquarters building not only initiates our journey to a bright future but also symbolizes our unwavering green development ethos.

In fulfilling our social responsibilities, we strive to create value

from multiple dimensions. For our customers, we have built a robust quality system through several international certifications, such as ISO9001 and IATF 16949, and maintained zero incidents in information security. We engage in face-to-face communication and interaction with customers to practice responsible marketing through organizing activities, agent training, and participating in industry forums and exhibitions. For our employees, upholding the “people-oriented” principle, we prioritize talent development and diversity, with a 2024 workforce reaching 1,439 employees, in which female employees accounted for 34.61% while ethnic minorities accounted for 9.8%. We have been honored as “Shenzhen Best Employer” and “Top 20 Youth-Friendly Employer Brands”.

For the community, we take it upon ourselves to spread technology and bridge the technology and public understanding. As a technology leader in the field of semiconductor lasers, we open the Company’s showroom for free visits from social groups throughout the year, attracting more than 8,800 visits annually. Particularly, we have arranged special tours for over 940 adolescent visits dedicated to STEM education by designated persons, which aim to inspire the younger generation’s desire to explore photonics technology. We also strengthen global ties by hosting international student delegations, engaging in sustainability dialogues with former UNESCO Director-General, and donating equipment to Portugal’s Volunteer Alliance. These activities have demonstrated our global responsibility as a Chinese technology company.

For corporate governance, our governance framework composed of “the general meeting of shareholders, board of directors, board of supervisors and management” ensures our continuous





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improvement in governance efficiency through a synergistic mechanism with clear powers and responsibilities, resulted in honors of the “Golden Bull Award-Golden Information Disclosure Award” by China Securities Journal and the “Best Board of Directors” for four consecutive years. In 2024, the Company completed three share repurchase programs, investing RMB 119 million in total and canceling 5.8425 million shares in the repurchase account to reward investors who trust us with real money.

Despite 2025’s turbulent outset, we remain confident that technology will continue serving humanity’s pursuit of a better future.

LI Yi

April 2025



**LI Yi**  
Chairman and CEO of Appotronics

"Despite 2025’ s turbulent outset, we remain confident that technology will continue serving humanity’s pursuit of a better future."





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# Approaching Appotronics

## 01.Company Profile

### Company Profile

Appotronics Corporation Limited (stock code: 688007.SH), established in 2006, is a global leading supplier of original technology and core patents for laser core components. The Company stands as one of the first companies listed on the STAR Market. Meanwhile, it is also the first stock in Guangdong Province on the STAR Market and the first stock in the global laser display industry.

In 2007, Appotronics invented the ALPD® semiconductor laser light source technology, a groundbreaking development in the display field that overcame significant application bottlenecks in core laser display core components and imaging solutions. As this technology has become the mainstream approach within the industry, it has been extensively applied in various sectors, including automotive, cinema, specialized displays, and household applications. Notably, due to rapid advancements of this technology in automotive optics, we have earned partnerships with numerous internationally renowned automobile manufacturers. At the same time, by seamlessly integrating our laser technology with cutting-edge developments in human-computer interaction, smart recognition, the Internet of Things, cloud platforms, big data, etc., the Company has proactively established strategic layouts in emerging fields such as artificial intelligence (AI), augmented reality (AR), and robotics. This forward-thinking approach has led to in-depth collaborations with numerous globally recognized brands and institutions.

Furthermore, the Company has taken the lead in undertaking the National Key Research and Development Programs, collaborating with 12 research institutions including the Chinese Academy of Sciences, Beijing Institute of Technology, Sun Yat-Sen University, Zhejiang University to promote the advancement of national laser display technology and jointly drive the development of the laser industry, so as to build a robust laser industry ecosystem.

Up to now, the Company has been identified as a national high-tech enterprise and a national intellectual property rights demonstration enterprise. In addition, the Company has also won many honors such as the China Patent Excellence Award, National Enterprise Standard “Forerunner”, and Golden Bull Science and Technology Innovation Award.

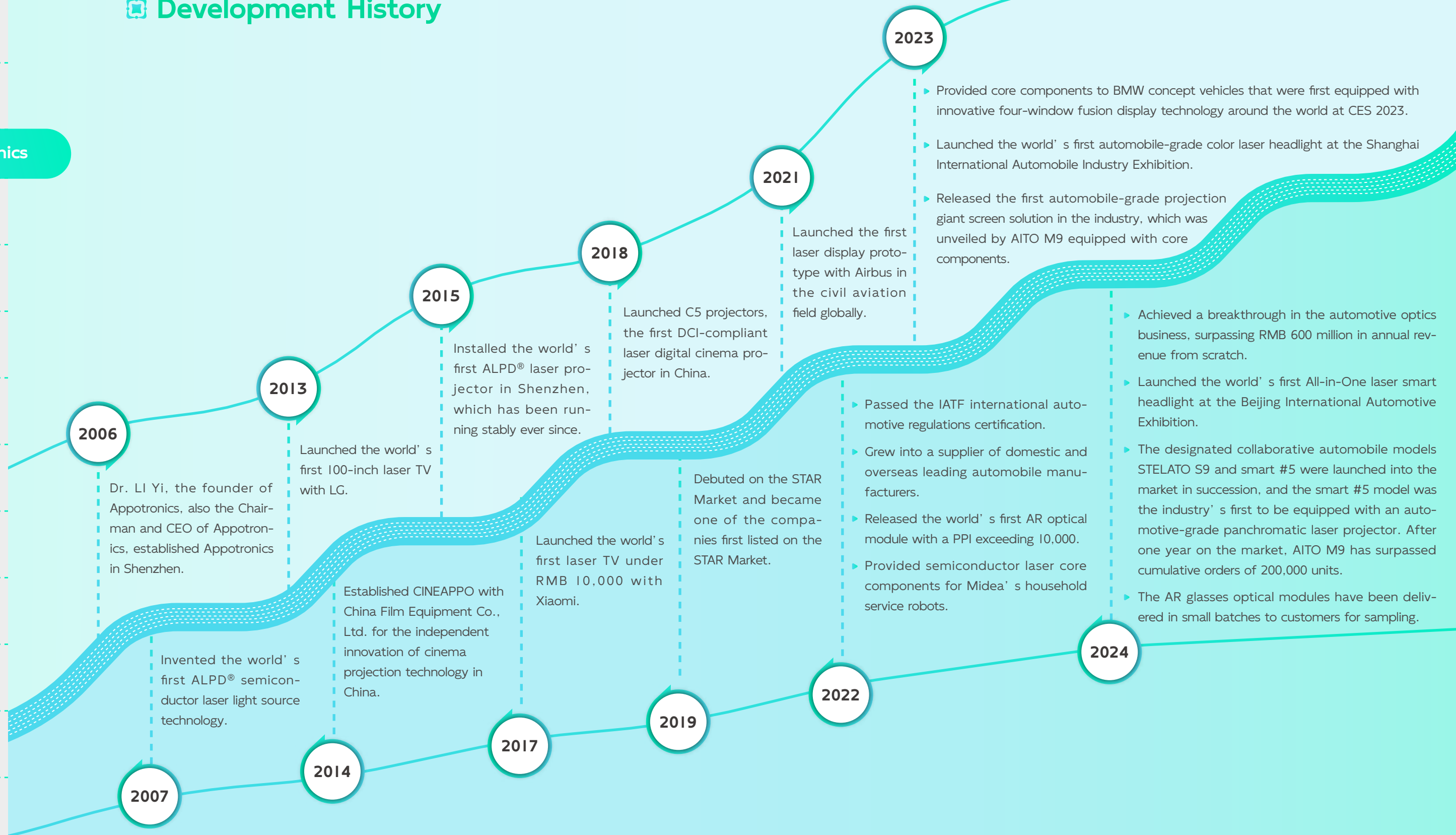
Upholding the mission of “New Light, New Life”, Appotronics is committed to illuminating the world through laser light source!







## Development History



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## 2024 ESG Highlighted Performance

### Honors in the ESG Fields

Wind ESG

光峰科技

2024评级



Wind ESG Rating A



2024 ESG Innovative Practice Case Award  
of Snowball Annual Golden List



Golden Bull Award ESG Top 100  
by China Securities Journal



ESG Golden Dawn Award and the Best  
Technology Innovation Breakthrough Award  
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## Key Data Indicators

Unit: RMB

Operating income  
in 2024

2,419 million



Operating income from  
automotive optics  
operations

638 million

## Social indicators

Unit: RMB/Person

Total number  
of employees

1439  
Person

Proportion of employees  
signing labor contracts

100  
%

Number of  
female employees

498  
Person

Proportion of female employees  
to total employees

34.61  
%

R&D  
personnel

505  
Person

Proportion of R&D personnel  
to total employees

35.09  
%

R&D  
investments

248  
million

Proportion of R&D investments  
to total operating income

10.24  
%



Cumulative patent  
applications and authorized  
patents worldwide

2,993 patents



Total training duration

16,824 hours



Safety hazard  
elimination rate

100%



Responsible procurement

100%



Public science popularization  
reception tour

8,812 visits

## Environmental indicators



Reduced carbon dioxide  
emissions for cinema  
partners in total

586,800 tons



Saved electricity for  
cinema partners  
in total

682 million kWh



Compliance rate of emission  
indicators in the production process

100%



## Governance indicators

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4

Time

Number of general  
meetings of shareholders



17

Time

Number of meetings held  
by the Board of Directors



6

Time

Number of meetings  
held by the Board of  
Supervisors



9

Time

Number of meetings  
held by the Audit  
Committee



10

Time

Number of meetings held  
by the Strategic and  
ESG Committee



3

Time

Number of meetings  
held by the Compensation  
and Evaluation Committee



3

Time

Number of meetings  
held by the Nomination  
Committee



3

Time

Number of special  
meetings held by  
independent directors



4

Time

Number of performance  
briefings



7

Person

Number of members of  
the Board of Directors



71.43

%

Proportion of male  
directors on the  
Board of Directors



28.57

%

Proportion of female  
directors on the  
Board of Directors



3

Person

Number of independent  
directors



3

Person

Number of members of  
the Board of Supervisors



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Major Honors in 2024

Serial number	Date	Issuing Authority	Award Name
1	2024.01	CES 2024	“Innovation Award for Computer Peripherals and Accessories” (Overseas customer products equipped with ALPD® 5.0)
2	2024.01	Shenzhen B2B Display System Industry Association	2023 Annual Benchmark Award for Laser Projection Display Applications
3	2024.03	Shenzhen Illuminating Engineering Society	Appotronics Engineering Dual-color Laser High-brightness T-pro Large Venue Projector - Second Prize of Technology Innovation Award
			Indirect Cooling Tower Illumination and Performance Project of Montai Dongsheng Phase II 2×660MW Cogeneration Project - Second Prize in Engineering
4	2024.03	Shenzhen Performance Excellence Management Foundation	2023 Outstanding Innovative Organization (Enterprise)
5	2024.04	Huawei	2023 Huawei Smart Cockpit Distinguished Partner
6	2024.06	Alighting Award	Best Product Award Appotronics Dual-color Laser High-brightness T-pro Large Venue Series Projector
			Best Design Award-Planet Imagination - Blue Tears-“Harmonious Music from Khotan” Full-Scale Immersive Performance Art with Multi-Sensory Interaction in Yotkan Ancient City in Hetian, Xinjiang“Mountain and Sea Map Shrouded in Mist” Guided Night Tour in Pingtan General Mountain
			Excellent Engineering Award-Indirect Cooling Tower Illumination and Performance Project of Montai Dongsheng Phase II 2×660MW Cogeneration Project
			Honor Partner Brand
7	2024.06	Guangdong Performance Industry Association	Best Tourism Performance: Planet Imagination - Blue Tears
			Best Performance Equipment Brand: Appotronics
8	2024.07	China Fund News	A-share New Quality Productive Forces Value Award of Yinghua Award



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9	2024.08	Department of Industry and Information Technology of Guangdong Province	“Innovation Award for Computer Peripherals and Accessories” (Overseas customer products equipped with ALPD® 5.0)
10	2024.09	Wind ESG	Grade A Rating
11	2024.10	China Securities Journal	Golden Bull Award- Golden Information Disclosure Award
12	2024.11	Securities Times	LI Yi Annual Sci-Tech Pioneer of Chinese Listed Companies
13	2024.11	Weekly on Stocks	ESG Golden Dawn Award Best Technology Innovation Breakthrough Award
14	2024.12	China Illuminating Engineering Society	Firefly Illumination Awards - 2024 Product Design Supreme Award Appotronics Dual-color Laser High-brightness T-pro Large Venue Series Projector
15	2024.12	China Association of Lighting Industry	Second Prize in the Landscape Lighting Special (Product Category) of the China International Lighting Design Awards Appotronics Dual-color Laser High-brightness T-pro Large Venue Series Projector
16	2024.12	National Business Daily 13th China Listed Companies Summit	Best Board of Directors Award for Listed Companies
17	2024.12	China Securities Journal 2nd Guoxin Cup - ESG Golden Bull Award	Golden Bull Award ESG Top 100
18	2024.12	Shenzhen Intelligent Equipment Industry Association Shenzhen Electronic Equipment Industry Association	Red Sail Award Annual Top 100 Enterprises of New Quality Productive Forces
19	2024.12	Guangdong Times Media Group The 17th Times Marketing Gala	Annual Brand Value Communication
20	2024.12	Xueqiu	2024 ESG Innovative Practice Case Award
21	2024.12	Shenzhen Small and Medium-sized Enterprises Service Bureau	Specialized, Refined, Distinctive, and Innovative Small and Medium-sized Enterprises (SMEs) of Shenzhen





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# Special Topic I



# Embracing AI Transformation



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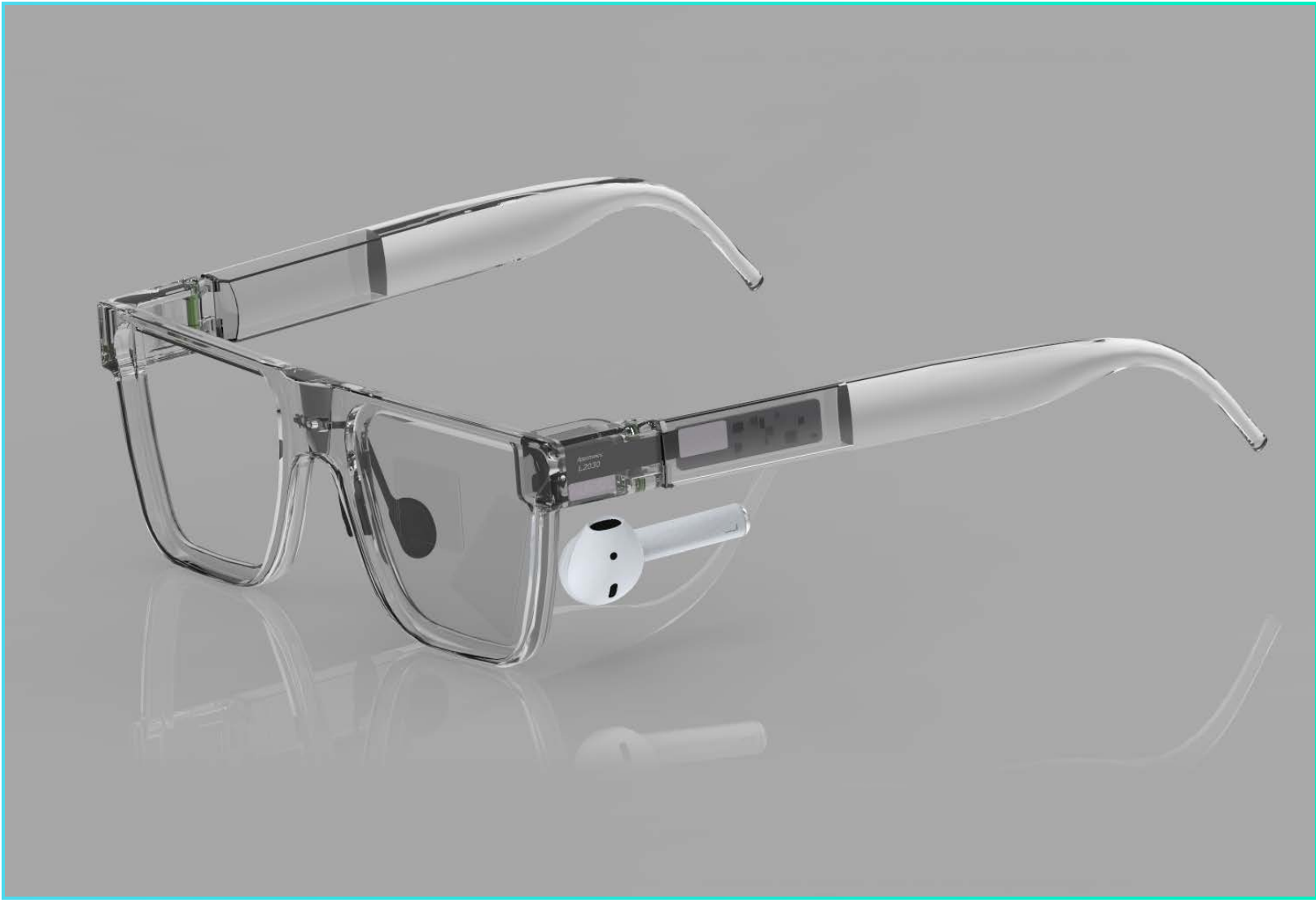
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# Special Topic I: Embracing AI Transformation

## 01.AI Innovation Integration



The Company's self-developed AR glasses light engine module

Appotronics prioritizes R&D investments in AI technologies, driving AI innovation in semiconductor laser applications. At the beginning of 2025, during the Consumer Electronics Show in the United States, we unveiled a self-developed panchromatic AR glasses light engine display solution with ultra-compact size and effective cost. This kind of ultra-compact panchromatic AR glasses light engine, with a volume of only 0.8cc (cubic centimeters) which is smaller than common Bluetooth headsets, has perfectly met the demand for lightweight AR glasses. It not only features a 200:1 high contrast and 720P high resolution, but also has ultra-low power consumption and panchromatic display availability, all of which are at industry-leading levels. More importantly, its low cost and high cost-performance ratio will help partner manufacturers accelerate the launch of AR glasses products to the mass market.





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The Company has provided small batches of module prototypes to upstream and downstream companies in the AR glasses industry chain, such as the A-share listed Huaqin Technology and the Hong Kong-listed Sunny Optical Technology Group, for project research and product pre-development.

AI technology is not an isolated technical tool; it can also be integrated with business operations to drive the creation of entirely new user experiences. With the continued surge in China’s cultural tourism enthusiasm, the demand for large venue laser projection is constantly rising. However, in practical applications, the team generally faces some challenges. As cultural tourism architectures vary greatly in shape, the projection surfaces are mostly irregular. When multiple large venue laser projectors need to be combined for display, it is required for precise matching of the projection surfaces, which often consumes a lot of manpower for detailed adjustments, severely affecting the efficiency of project implementation.

AIGC技术点亮  
3D Mapping建筑之美



The “projection + AI” technology achieved rapid automatic completion of splicing images. By using sensors, the blocking shadow of the “little bear” can be eliminated.

The “projection + AI” technology independently developed by the Company’s R&D team enables the large venue laser projector to be ready for use immediately upon startup. This system can automatically collect complex building surface data and perform calculations, supporting multiple devices to work collaboratively and automatically reconstructing images with seamless concatenation, in order to accurately align with the edges and corners of buildings. AI generates images based on the scene’s geometric features and superimposes them onto the model, where sensors track the audience’s position in real time to avoid glare and enhance immersion. With this technology, the Company will significantly reduce the pre-installation costs while perfectly presenting the immersive 3D effect by optimizing the immersive projection picture quality with reduced color edges. In the future, this technology will be widely applied in fields such as cultural tourism, night-time lighting, stage art, and exhibitions.

## 02.AI-driven Efficiency Enhancement

The application of AI technology within enterprises can effectively improve employees’ work efficiency and help them adapt more quickly to the rapidly changing market environment, thereby significantly enhancing the overall competitiveness of the Company.

Appotronics’ self-developed smart systems, which have incorporated large AI models, have provided positive assistance for employees’ daily office work. For example, as a company listed on the STAR Market, the Company is required to submit different patent application documents every year, for which some technical personnel should spend a significant amount of time writing patent documents. To solve this problem, the Company has independently developed the “AI R&D Assistant” , which integrates the DeepSeek large model to provide intelligent support for technical personnel in patent searches and material writing stages.

This “AI R&D Assistant” boasts three functions: technical intelligence mining, experimental simulation optimization, and patent automation. Through large models like DeepSeek, it can perform real-time searches of global papers on optics and laser technology to generate abstracts and trend reports, and automatically associate the Company’s historical R&D data to recommend potential R&D directions. Moreover, its parameter tuning system, based on reinforcement learning, can recommend optical path design solutions and material combinations through AI after inputting goals. This “AI R&D Assistant” can also automatically generate patent drafts based on experimental data to avoid infringement risks. In the future, AI technology will play a broader role in improving the Company’s internal R&D and operational efficiency while reducing costs, thereby achieving good cost reduction and efficiency enhancement.



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## Special Topic 2

# Advancing High-Quality Development through Technology Innovation







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# Special Topic 2: Advancing High-Quality Development through Technology Innovation

## 01. Innovation Achievements

In the new era of high-quality development, technology innovation is not only the core driving force for enterprises to break through bottlenecks and achieve leapfrog development, but also a key engine for promoting industrial upgrade and shaping competitive advantages.

As one of the first companies listed on the STAR Market, Appotronics always places technology innovation at the core of its development, regarding it as the soul of driving forward. We emphasize technology innovation throughout the entire chain process that covers fundamental research, new application incubation, intelligent manufacturing, and societal implementation to continuously strengthen and expand core technologies, so as to empower talent teams across the entire chain. We also maintain high investment in research and development to improve the intellectual property rights system. With these initiatives, we could own a systematic innovation ability that actively disseminates the whole industry chain. In 2024, we invested RMB 248 million in our research and development.

### Achievements Commercialization

- ◆ Soaring revenue from automobile-grade projection giant screen system business with expansion into new application scenarios of panchromatic laser projection lights

With the successful creation of the industry's first automobile-grade projection giant screen system benchmark solution, the Company's automotive optics business has rapidly increased, achieving a breakthrough in its first-year revenue from 0 to over RMB 600 million. In 2024, the Company continued to make great efforts on the application of the automobile-grade projection giant screens and expand such application into outdoor lighting scenarios by launching innovative solutions such as the All-in-One laser smart headlight. By the end of 2024, the Company has ac-

cumulated 10 automotive business designated points, with designated products including automotive-grade giant screens, laser projection lights, vehicle lamp modules, and dynamic color pixel lights, etc., which have demonstrated significant head start advantages as meeting the diverse needs of automotive customers.

By December 2024, AITO M9, the panoramic smart flagship SUV equipped with the Company's designated products, has sold over 200,000 units cumulatively within 1 year after its launch, firmly maintaining its position as the sales champion among automobiles priced over RMB 500,000. The AITO M9 features the industry's first automobile-grade giant screen projection solution provided by Appotronics, characterized by large size, low motion sickness, and strong vibration resistance.

问界 M9

搭载业界首个车规级投影巨幕  
由光峰科技供应核心器件

累计大定突破

200000



Over 200,000 firm orders for the designated automobile model AITO M9 cumulatively



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In addition, STELATO S9, a panoramic smart flagship limousine model that was launched in August 2024, has sold over 8,000 units cumulatively within 20 days after its launch. The industry's first automobile-grade projection giant screen system for the limousine model, which features in STELATO S9, is also provided by Appotronics. This milestone underscores the multi-model adaptability of our innovation achievements and further solidifies our R&D commercialization capabilities.



720° 全向隐私空间

天幕 侧窗 后窗电动遮阳帘 | 32英寸车规级投影巨幕



STELATO S9 features with the industry-first automobile-grade projection giant screen system for the limousine model

In October 2024, smart #5, a luxury five-seat SUV under the smart brand, was officially launched. The industry's first native automotive-grade panchromatic outdoor laser projector, which features in the smart #5, is provided by Appotronics. With a brightness of up to 2,000 lumens and a maximum projection of 233 inches of ultra-high-definition images, this laser projector, adopted by smart #5, can achieve a 1080P display effect and is capable of meeting the entertainment needs in outdoor camping scenes.



smart #5 features with the industry's first native automotive-grade panchromatic outdoor laser projector





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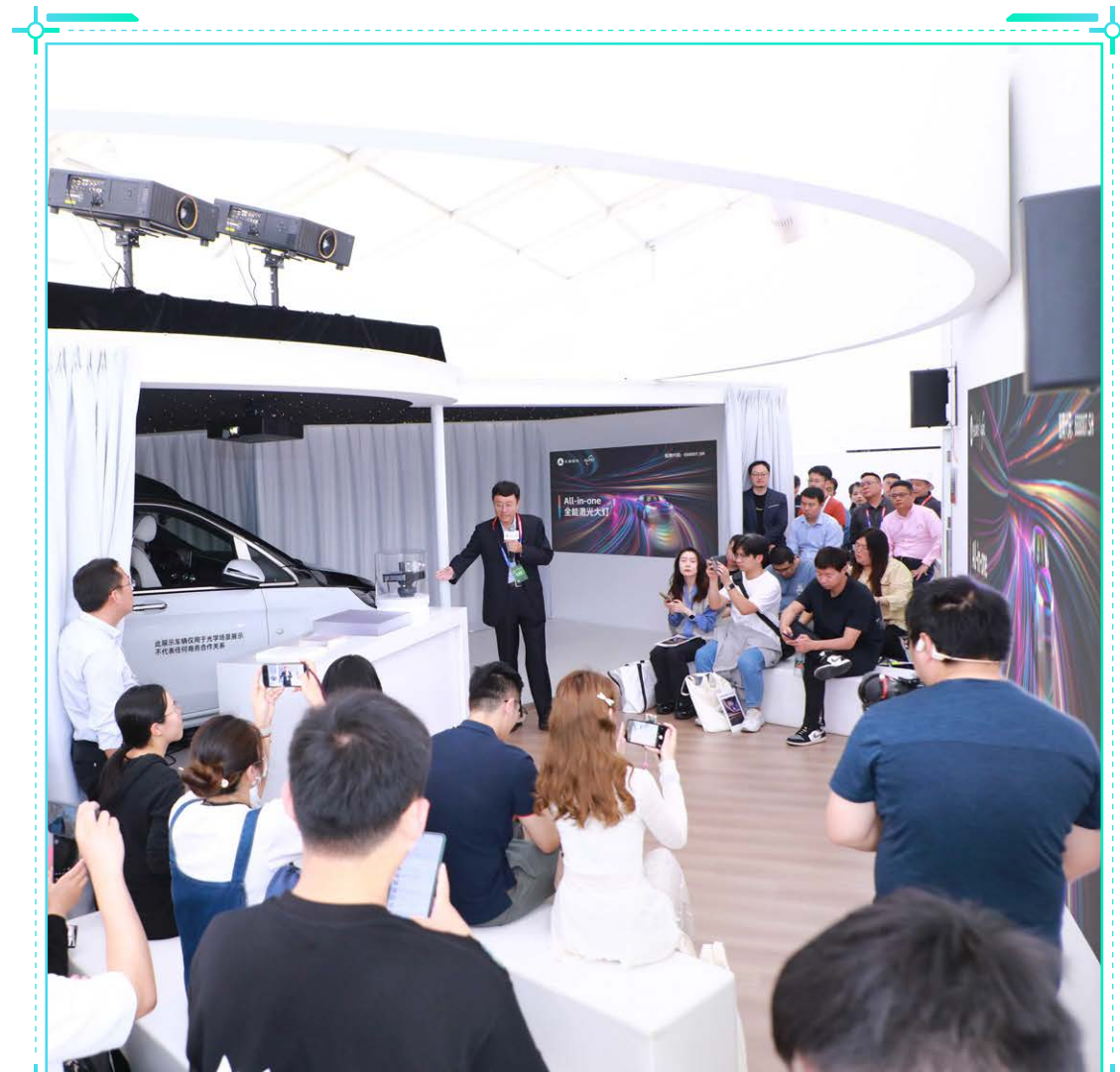
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At the 2024 Beijing International Automotive Exhibition, Appotronics launched the world's first All-in-One laser smart headlight, integrating multiple functions such as high beam assistance, ADB adaptive high beam lighting, color temperature adaptive front lighting, fog light, and color DLP display into a single small-sized lamp module. The All-in-One laser smart headlight, which has covered two major directions of "precise lighting" and "precise display" and is being continuously updated, will inject new vitality into the smart transformation and innovative development of the automotive industry.



Appotronics' Release Event at the 2024 Beijing International Automotive Exhibition

## ◆ ALPD® 5.0 Pro Super Panchromatic Laser Technology

Thanks to the remarkable achievements of ALPD® 5.0 technology in industrial application, the Company, by taking advantage of this success, officially released the latest generation of the "ALPD® 5.0 Pro Next-Generation Light Source Architecture Platform" in October 2024.

The ALPD® 5.0 Pro technology is characterized by greater brightness, higher light efficiency, and stronger reliability. With this technology, we are striving to create a high-quality application platform for the projection industry. In terms of brightness, the value of brightness is increased by over 30%. In terms of contrast ratio, we have developed more innovative applications for the ALPD® 5.0 Pro technology, such as integrating optical solutions for high contrast and optimizing optical path design to achieve more refined beam control. Through these initiatives, we are able to enhance the depth and layering of images while maintaining high brightness. The newly added dynamic aperture technology can adjust the aperture size in real time according to the content of the image, further enhancing the expressive power of dark details and the overall contrast. We also introduce a color management system for ALPD® 5.0 Pro to ensure color accuracy and consistency through accurate color calibration, so as to provide users with a more realistic and vivid visual experience.



Appotronics' ALPD® 5.0 Pro Super Panchromatic Laser Technology



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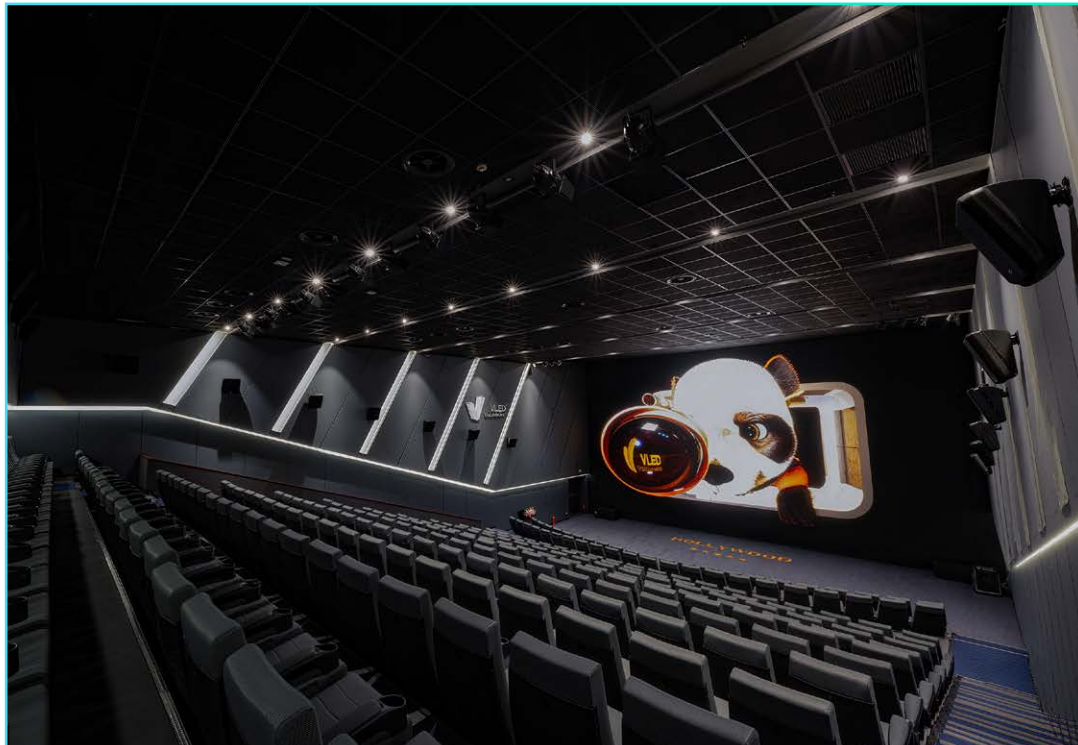
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◆ Launching the VLED LED cinema screen product family into the market

In 2024, the Company launched the VLED LED cinema screen product family, with its full range of products including the 10-meter model with 2K resolution, and the 10-meter, 14-meter, 16-meter, and 20-meter models with 4K resolution, all of which were inspected by DCI and domestic authoritative institutions. The VLED LED screen achieved 230% higher brightness compared to conventional screens, coupled with ultra-high contrast ratio and enhanced refresh rate, and a 160 ° wide viewing angle. It can deliver significantly clearer visual experiences for audiences.

As of now, 34 VLED LED cinema screens have been installed across 30 cities in China, with the new installations securing an industry-leading market share. These newly installed screens not only guarantee high-quality projection but also unlock diversified operational possibilities for cinemas.

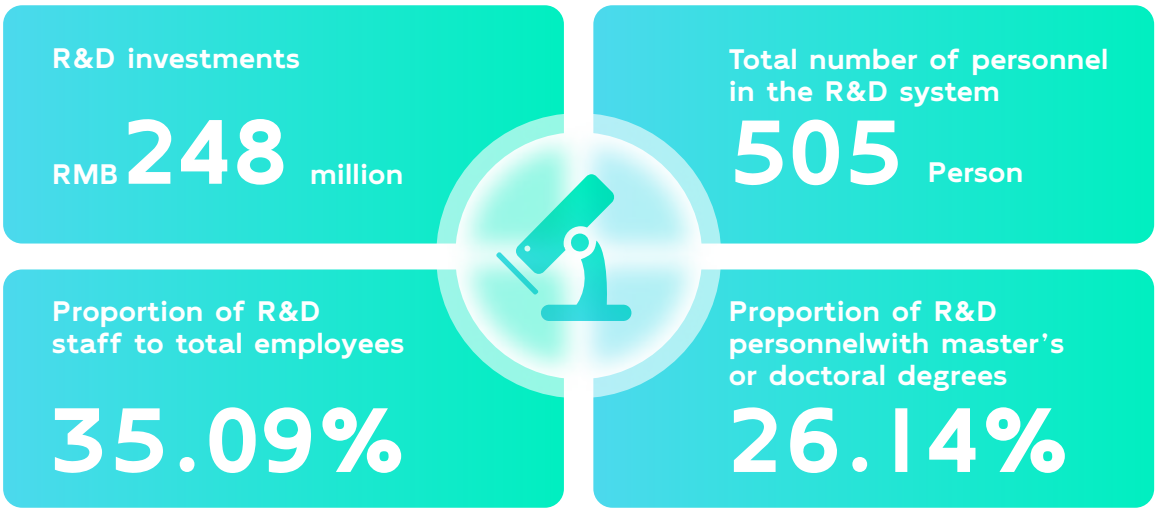


The first 4K 14-meter VLED LED theater of Henan Province has been built in Zhengzhou City

🔍 R&D Investment

R&D Investment functions as the source of technology innovation. The Company has always placed great emphasis on research and development, maintaining a high level of investment to provide solid support for technological innovation and help the Company maintain its leading technical capabilities. In 2024, the Company invested RMB 248 million in research and development, accounting for 10.24% of our revenue.

The Company boasts a robust R&D team, with the core units led by prominent talents in the international semiconductor laser and automotive optics fields. We have successfully attracted numerous R&D professionals who graduated from renowned universities both domestically and overseas. These experts span multiple disciplines, including optics, electronics, materials science, physics, mechanical design, and precision manufacturing. Depending on the R&D team, we have formed an interdisciplinary and composite innovation and R&D system, which provides strong intellectual support for the Company's technological breakthroughs and product innovation. As of December 31, 2024, the Company has employed 505 R&D personnel, accounting for 35.09% of the total indirect employees. Among them, 26.14% of R&D personnel held master's or doctoral degrees.







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## 02.Intellectual Property Rights

Intellectual property rights are the cornerstone of a company’ s innovation and core competitiveness. Protecting intellectual property rights equates to safeguarding innovation. As the original inventor of ALPD® semi-conductor laser light source technology, Appotronics fully recognizes the critical role of intellectual property rights protection in securing R&D achievements, advancing technological progress, and maintaining global competitive advantages.

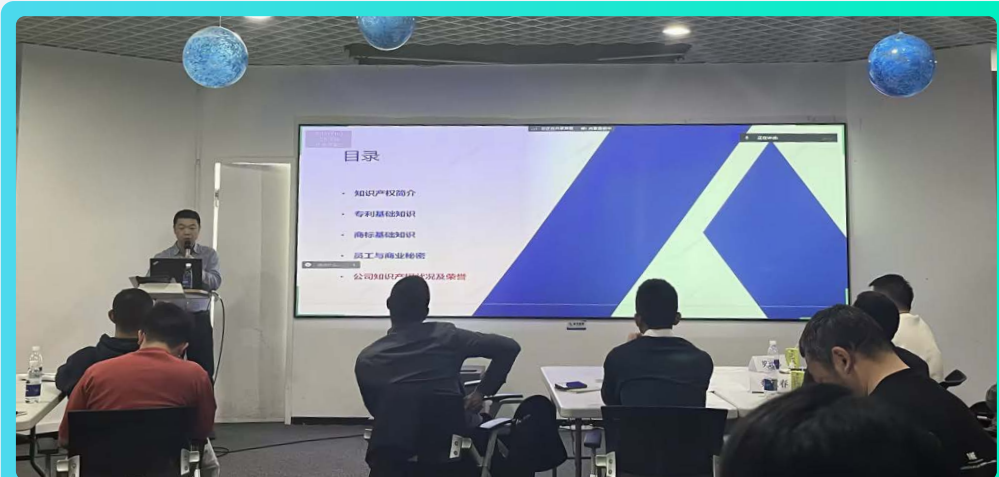
In 2024, the Company is deeply committed to integrating its intellectual property rights management system with operational processes, optimizing the full-cycle workflow encompassing search, application, maintenance, utilization, and tiered management. The Company encourages R&D personnel to propose high-quality patent applications and strengthens patent and trademark review and retrieval to strictly control application quality. At the same time, the Company carries out hierarchical classification management of patents and improves the patent subject database to promote the digitization of intellectual property rights. With the realization of the electronization of the entire process, we have formed an efficient and precise management system. In addition, the Company continuously pays attention to new policies and regulations regarding intellectual property rights and regularly conducts early warning to reduce intellectual property rights risks in the development process.

By the end of 2024, the Company has filed a total of 2,993 patent applications globally and owned a total of 2,287 granted patents worldwide, including 1,189 invention patents.

### Case: Normalization of intellectual property training

With great emphasis on intellectual property compliance construction, Appotronics conducts training for employees from time to time, which covers patent, trademark, copyright, trade secret protection, and fair competition, etc., to achieve normalization.

In 2024, the Company provided intellectual property and trade secret training for new employees, patent proposal writing skills training for R&D personnel, and trademark usage regulation training for business personnel. All employees are required to strictly comply with laws and regulations and professional ethics in business activities and respect intellectual property rights, in order to maintain a fair competition environment.



Providing intellectual property and trade secret training for new employees

### Case: Normalization of intellectual property training

#### Annual Key Honor: the 25th China Patent Excellence Award

序号	专利号	专利名称	专利权人	发明人
265	ZL201810240367.9	投影畸变校正方法、装置、系统及存储介质	深圳光峰科技股份有限公司	余新、李屹
299	ZL201810936633.1	显示设备	深圳光峰科技股份有限公司	余新、郭祖强、顾佳琦、李屹

Announcement link of the China National Intellectual Property Administration official website:  
[https://www.cnipa.gov.cn/art/2024/12/23/art\\_394\\_196838.html](https://www.cnipa.gov.cn/art/2024/12/23/art_394_196838.html)



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## 03. Industry Contribution

Appotronics actively participates in industry summits, forums, and exhibitions to drive the industry-university-research integration. Through technological innovation and resource integration, we have driven industrial upgrading and participated in the formulation of industry standards, achieving significant results in multiple fields while actively fulfilling social responsibilities. We are making contributions to the vigorous development of the semiconductor laser light source industry.

### Participating in Key R&D Projects

In March 2024, a kickoff meeting was held in Chengdu for the “Ultra-High-Definition Wide-Gamut Laser Display Metrology, Evaluation Standards, and Application Research” project, where Appotronics participated, marking the official commencement of the research and development of this project.

In July 2024, the “Key Technologies for Ultra-High-Resolution LCoS Spatial Light Modulators for Laser Display” project, where Appotronics participated, underwent a mid-term review organized by the High Technology Research and Development Center of the National Natural Science Foundation. This project successfully passed the mid-term review after various evaluations by the expert group.



Appotronics participated in the kick-off and implementation plan demonstration meeting for the “Ultra-High-Definition Wide-Gamut Laser Display Metrology, Evaluation Standards, and Application Research” project

At the same time, Appotronics continues to focus on innovation-driven empowerment centered around its ALPD® semiconductor laser source technology, expanding upstream and downstream industrial chains. Leveraging advanced and comprehensive production technologies and processes, the Company has achieved domestic and international leadership. In September 2024, Appotronics was recognized as a “Single Champion Enterprise in the Manufacturing Industry of Guangdong Province” by the Department of Industry and Information Technology of Guangdong Province, which marked our contributions to the high-quality advancement of the manufacturing industry.



Appotronics was recognized as a “Single Champion Enterprise in the Manufacturing Industry of Guangdong Province”



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In addition, Appotronics, as a backbone of small and medium-sized enterprises, adheres to specialized, refined, and distinctive development. In December 2024, the Company was recognized as the “Specialized, Refined, Distinctive, and Innovative Small and Medium-sized Enterprises (SMEs) of Shenzhen” by the Shenzhen Small and Medium-sized Enterprises Service Bureau.



Formulation of Industry Standards

As a leading company in the field of laser display technology, Appotronics not only plays an active role in the formulation of domestic and overseas industry standards, but also insists on synchronizing research and development with standardization. Globally, as a member of the International Electrotechnical Commission (IEC), the Company has deeply participated in the formulation of standards across multiple cutting-edge technology fields such as laser display, automotive optics, smart cities, etc., promoting the close integration of domestic technology with international standards. Cumulatively, Appotronics has successfully participated in the development of 10 international standards.

In China, as a member of the National Standardization Management Committee, the Company leads or participates in the formulation of standards for laser display, projection display, and related application scenarios, to guide the healthy development of the industry. Meanwhile, the Company actively participates in industry association activities, holding key positions such as vice

president and chairman, in order to collaborate with upstream and downstream enterprises to create an industry atmosphere that pursues high-quality development, thereby contributing to sustainable development. As of now, the Company has participated in the formulation of 10 national standards, 29 industry standards, 3 local standards, and 31 group standards, and has been enlisted in the national enterprise standard “forerunners” by virtue of 5 standards.

Participated in International and National Standard Organizations

International	<div>1.International Electrotechnical Commission/Audio, video and multimedia systems and equipment/Terminals for audio, video and data services and contents</div> <div>2.International Electrotechnical Commission/Electronic displays/Laser displays</div>
Domestic	<div>1.National Standardization Management Committee/National Audio, Video and Multimedia Systems and Equipment Standardization Technical Committee</div> <div>2.National Standardization Management Committee/National Flat Panel Display Device Standardization Technical Committee/Laser Display Device Sub-Technical Committee</div> <div>3.National Standardization Management Committee/National Optical Radiation Safety and Laser Equipment Standardization Technical Committee Non-Coherent Optical Radiation Sub-Technical Committee</div> <div>4.National Standardization Management Committee/National Optical Radiation Safety and Laser Equipment Standardization Technical Committee High-Power Laser Applications Sub-Technical Committee</div> <div>5.Green and Efficient Energy Consumption Products Professional Committee of China Energy Conservation Association (CECA)</div> <div>6.Shenzhen Standard Expert in Library</div>
Industry Association	<div>1.Chief Quality Officer of Guangdong Quality Inspection Association/Chief Quality Officer of Shenzhen Quality Strong City Promotion Association</div> <div>2.Laser TV Industry Branch of China Electronic Video Industry Association</div> <div>3.Shenzhen Performance Excellence Management Foundation</div> <div>4.Vice President of Shenzhen Standardization Association (Guangdong-Hong Kong-Macao Greater Bay Area Standard Innovation Alliance)</div> <div>and so on.</div>





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Under the standardization strategy of “synchronization of R&D and standardization” , the Company actively explores and practices standardization work modes and methods with the key aim of satisfying customers and achieving sustainable development, ultimately establishing a mechanism for synchronization of R&D and standardization. Guided by this mechanism, the Company has effectively shortened product development cycles, reduced product costs, and enhanced product quality, leading to increased customer satisfaction and faster commercialization of scientific research achievements, which provides strong support for the high-quality development of the Company.

Case: The Formovie project was selected as the 2024 typical audiovisual system case

In 2024, the “Domestic Smart Projector Alternative – Pioneering Smart Audiovisual Lifestyles” case led by Formovie was selected as the 2024 typical audiovisual system case jointly published by the Ministry of Industry and Information Technology, National Radio and Television Administration, and China National Intellectual Property Administration, through a rigorous process of local recommendations and expert evaluations.

2024 年度视听系统典型案例公示名单			
序号	案例名称	牵头单位	推荐单位
1	智慧生活视听系统		
2			
3			
4			
5			
6			
7			
8			
9			
10	国产替代智能投影—开创智慧视听新生活	峰米（重庆）创新科技有限公司	重庆市
11			
12			

04.Cultural Value

Technology and Culture

The Company leverages innovation and traditional culture to foster cultural heritage preservation and development through urban renewal initiatives, cultural tourism projects, and exhibition platforms, with the aim of excavating urban cultural DNA and revitalizing the vitality of traditional practices.

In Chengbu Miao Autonomous County, Hunan Province, the project “Silver Moonlight Bathing the Banks of Wushui River”, by utilizing the natural landscape along the Wushui River, integrated boat tours, digital lighting rendering, and immersive theatrical performances to create stunning visual displays around the theme, in order to immerse audiences in the Miao ethnic culture. On Meizhou Island in Fujian Province, the project “First Encounter with Mazu” connected story chapters through a “digital red ribbon” to create an immersive visual space that vividly interprets the Mazu legends.

In 2024, with the Company’ s support, the “Encountering Sanxingdui – 12K Macro View of National Treasures” global tour was successfully held in Qatar, New York, and other global locations. With the help of digital projection technology, overseas audiences transcended linguistic and geographical barriers to closely appreciate the charm of the ancient Shu civilization. This project has contributed to accelerating the global dissemination of Chinese cultural heritage.



Appotronics helped create the Miao Township digital fantasy project of “Silver Moonlight Bathing the Banks of Wushui River”



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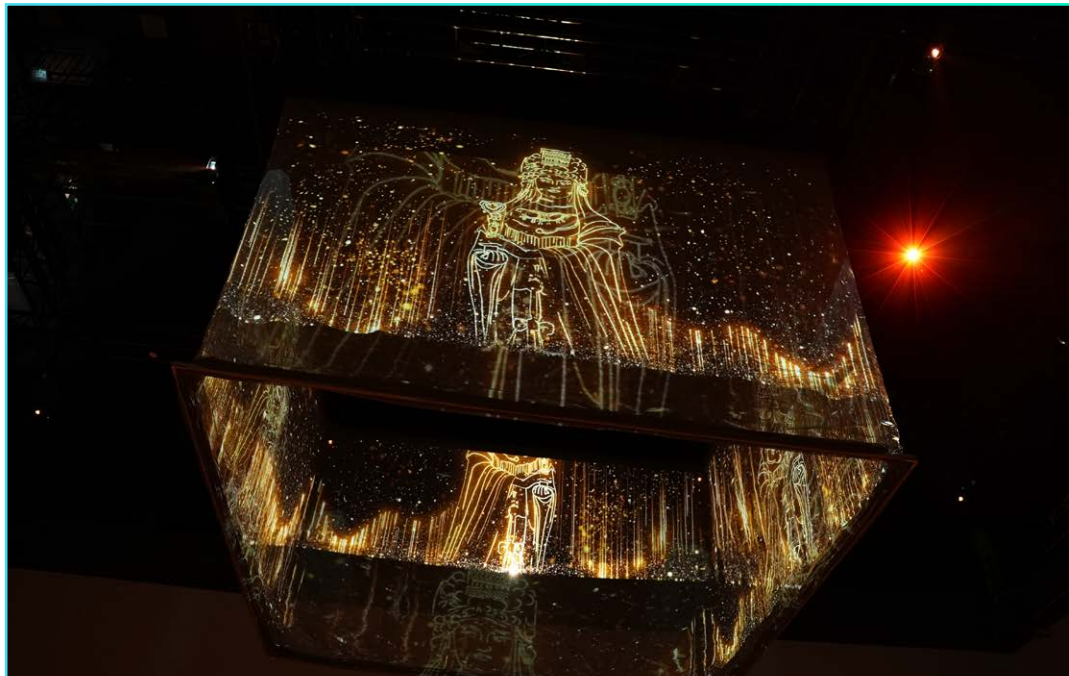
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Appotronics created an immersive digital light show of “First Encounter with Mazu”

Social Impact of Products

Products are not merely tools to meet consumer demands but also vehicles of social responsibility. Enhancing products’ societal impact is not only the Company’ s long-term development goal, but also the Company’ s critical component of achieving sustainable development and fulfilling social commitments.

In 2024, the Company expanded its outreach to hundreds of universities nationwide, including Peking University, Central South University, Jilin Jianzhu University, and the Karamay Campus of China University of Petroleum (Beijing), to provide green, eco-friendly, and eye-protective modern teaching equipment. The ALPD® semiconductor laser light source, with its low-carbon, eco-friendly, and vision-friendly features, not only creates smart and sustainable educational environments but also safeguards the visual health of teachers and students.

Case: Preserving cinematic heritage by virtue of ALPD® laser projection

In December 2024, the 6th Hainan Island International Film Festival, themed “All Things Thrive in the Sea, Light Reflects the Future” , was grandly held in Sanya City. This year’ s film festival maintained its popular open-air screening format. As a long-time partner, CINEAPPO was once again designated as the official projection provider to ensure the success of this Hainan Island International Film Festival. Guided by the principle of “Island-Wide Screening, Cinema for All”, this event showcased over 100 excellent films across cinemas and outdoor venues throughout Hainan Island. Particularly, the “Hi-Fun Outdoor Screening” event integrated film and tourism in an innovative way by utilizing many iconic outdoor locations.



CINEAPPO supported the 6th Hainan Island International Film Festival





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# Strategic Leadership with Good Governance





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# Strategic Leadership with Good Governance

## 01.ESG Management

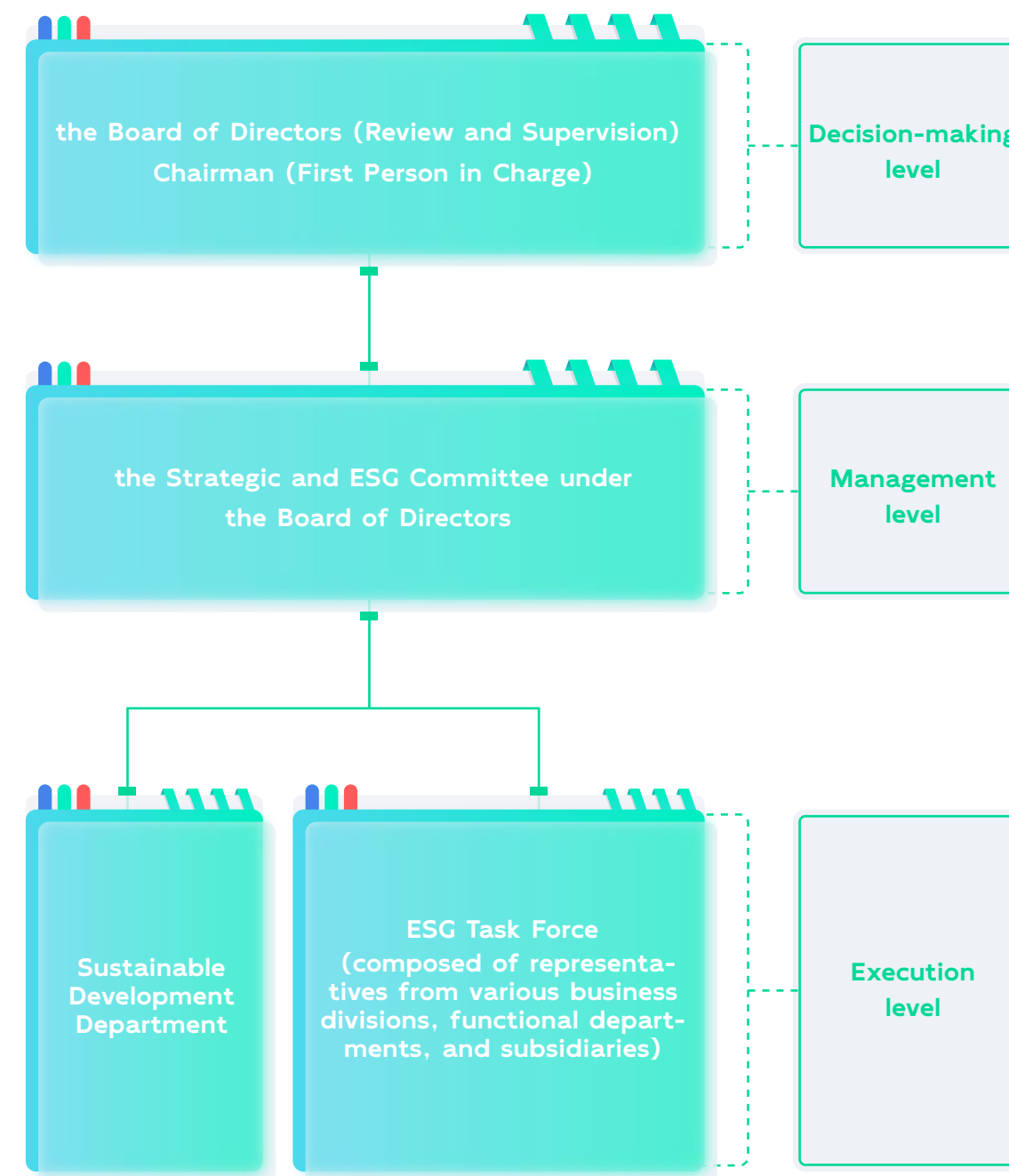
Since sustainable development constitutes an integral component of Appotronics' core strategy, we recognize it as a critical pathway to high-quality growth and an important reference basis in operational decision-making.

In terms of ESG management, the Company has established an innovation-driven ESG management philosophy and a structured hierarchical governance framework with clearly defined roles and responsibilities, ensuring the ESG philosophy is subject to throughout the entire process of corporate development. In the structure, the Chairman, as the first responsible person for ESG management, should oversee and supervise the progress of work comprehensively; and the Board of Directors, as the core decision-making body, should integrate the concept of sustainable development into the corporate governance system and review ESG implementation regularly each year to ensure the effective execution of strategic goals.

The Strategic and ESG Committee under the Board of Directors should focus on the Company's long-term ESG development planning and major decisions, providing strategic guidance for sustainable development through in-depth research and professional advice. The Sustainable Development Department is responsible for conducting sustainable development training within the Company and providing services and coordination support to relevant departments. In addition, the ESG Task Force, composed of representatives selected by various business divisions, functional departments and subsidiaries, is responsible for promoting the implementation of ESG practices within these departments and regularly collecting and organizing ESG practices and achievements to ensure the effective implementation of ESG philosophy at the grassroots level.

This report (Chinese version) was approved by the Board of Directors on April 28, 2025.

### ◆ ESG Management Framework





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## 02.Communication with Stakeholders

Appotronics maintains close communication and cooperation with stakeholders, establishing a regular communication mechanism to ensure stakeholders' needs are fully listened to and responded to. In 2024, the Company optimized various forms of communication channels with stakeholders to ensure timely information transmission and effective feedback, so as to work together with stakeholders to create a sustainable future.

Stakeholder	Main topics concerned	Main communication channels
Government departments and regulatory agencies	Integrity and compliance Green development Employee rights and interests Responding to national policies	Information disclosure Research investigation Symposium Work report
Shareholders and investors	Corporate governance Business performance R&D innovation Business ethics Information disclosure Green and low-carbon opportunities	General meetings of shareholders Performance briefings Regular reports and information disclosure Roadshow survey SSE E-interactive platform, email, hotline, and public investor reception events, etc.
Employee	Employee rights and interests Employee development Care for employees Health and safety	Employee trade union Employee representative Employee training Employee questionnaire survey Online channels: company intranet, WeChat official account, enterprise WeChat, etc.

Stakeholder	Main topics concerned	Main communication channels
Suppliers and distributors	Responsible supply chain Business ethics Mutual benefit Product quality and safety	Supplier audit and evaluation Supplier conference and distributor communication activities Whistle-blower hotline and email Quality management system
Customers and consumers	R&D innovation Product quality and safety Customer service Responsible marketing Information security	Quality management system Online promotion: official website, official WeChat account, official blog, etc. Offline promotion: exhibitions, stores, promotional activities Customer service hotline Customer satisfaction survey Customer privacy protection
Industry associations and other partners	R&D innovation Intellectual property rights Industry influence Cultural value	Industry forums, exchange meetings Intellectual property protection Industry-university-research interaction Participation in the development of industry standards Support for cultural projects
General public	Public welfare Environmental protection Science popularization education	Carry out public welfare activities Adhere to green development Science popularization base for adolescents Industry-university-research cooperation





## 03. Analysis of Material Topics

In accordance with international and domestic policies and standards and the Company's material topics in previous years with a focus on the Guidelines of Shanghai Stock Exchange on Self-regulatory Supervision of Companies Listed on the STAR Market No. 13 – Preparation of Sustainability Report, Appotronics has identified and determined 23 material topics after fully considering the key points concerned by internal and external stakeholders, peer benchmarking analysis, the Company's industry characteristics and strategic direction. Moreover, Appotronics has also drawn a matrix analysis chart of material topics from two dimensions, namely, "Materiality to the Company's finances, operations, and future development" and "Materiality to stakeholders" based on the results obtained through questionnaire surveys. This matrix analysis chart is comprehensively evaluated by the Company's ESG Task Force and finally approved by the Company's Board of Directors.

### ◆ Analysis of Material Topics



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## 04.ESG Practices

Since its listing as one of the first STAR Market companies in 2019, Appotronics has consistently regarded ESG information disclosure as one of the core practices for corporate sustainability. It is the sixth consecutive year for Appotronics to voluntarily disclose independent ESG reports. During the reporting period, relying on its outstanding ESG practices, the Company has maintained Wind ESG Rating A and has been recognized with various honors, such as the “Golden Bull Award ESG Top 100 by China Securities Journal”, “2024 ESG Innovative Practice Case Award of Xueqiu Annual Golden List”, and “ESG Golden Dawn Award by Weekly on Stocks”.

The Company’s stance on ESG disclosure as a long-term commitment will continuously ensure the transparency and public availability of ESG-related information and the implementation of sustainable development principles through practical actions to create long-term value for stakeholders.



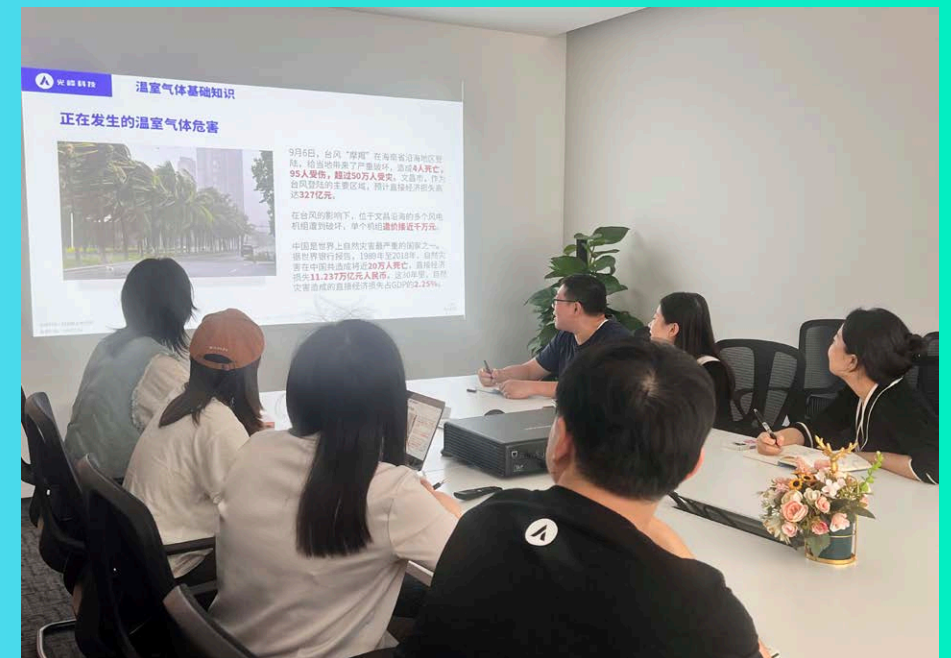
Screenshot of covers of ESG report for the first six years

### Case: Self-developed “greenhouse gas verification” training courses

The Company places great importance on the implementation of ESG philosophy. In 2024, the Sustainable Development Department designed an internal training course on “Greenhouse Gas Verification”. This course helps employees understand the importance of energy conservation and carbon reduction through systematic knowledge popularization and will be provided to all employees in phases.

Short-term objectives of the course are to popularize the knowledge of greenhouse gases and to enhance employees’ knowledge and understanding of carbon reduction. Particularly, these courses aim to enable employees to master the greenhouse gas verification skills and deeply appreciate the significance of carbon reduction through practical training.

Long-term objectives of the course are to encourage employees to integrate energy-saving and carbon reduction concepts into their daily work and life, contributing to the Company’s sustainable development.



The Company’s self-developed “greenhouse gas verification” training courses



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# Precision Management for Sustainable Prosperity







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# Precision Management for Sustainable Prosperity

## 01. Corporate Governance

Dimensions of responsibility	Indicators	Unit	2024
Governance of the General Meeting of Shareholders, the Board of Directors, and the Board of Supervisors	Number of the general meetings of shareholders	Time	4
	Number of meetings held by the Board of Directors	Time	17
	Number of meetings held by the Board of Supervisors	Time	6
	Number of meetings held by the Audit Committee	Time	9
	Number of meetings held by the Strategic and ESG Committee	Time	10
	Number of meetings held by the Compensation and Evaluation Committee	Time	3
	Number of meetings held by the Nomination Committee	Time	3
	Number of special meetings held by independent directors	Time	3
Composition of the Board of Directors	Number of members of the Board of Directors	Person	7
	Proportion of male directors on the Board of Directors	%	71.43
	Proportion of female directors on the Board of Directors	%	28.57
	Number of independent directors	Person	3
Investor relationship	Number of investor reception events	Time	270+
	Investor reception event outreach	Participant	550+

### Operation of the Board of Directors

Sound, transparent, and balanced corporate governance is pivotal to healthy enterprise development. Appotronics carries out its work in strict accordance with the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, and other laws, regulations, and regulatory requirements. The Board of Directors, which is the Company’s permanent decision-making body, has four professional committees: the Audit Committee, the Strategic and ESG Committee, the Compensation and Evaluation Committee, and the Nomination Committee. The Company has formed a governance structure including “the General Meetings of Shareholders, the Board of Directors, the Board of Supervisors, and the management” with clear responsibilities and collaborative operations, which can optimize the operating mechanism and enhance governance efficiency.

The professional and energetic Board of Directors drives the Company’s business innovation. In 2024, the Company completed the member election for the new session of the Board of Directors and the Board of Supervisors, and employment of senior executives according to laws, recruiting multi-disciplinary experts as independent directors to broaden application expertise. As of now, the Company’s third session of the Board of Directors has consisted of 7 directors, including 3 independent directors and 1 employee representative director. Members of the Board of Directors with diverse backgrounds exercise their duties diligently and conscientiously to ensure scientific decision-making. The Company’s third session of the Board of Supervisors has consisted of 3 supervisors, including 1 employee representative supervisor. The composition of the Board of Supervisors and the qualifications of its members meet the requirements of laws and regulations, and all supervisors possess professional knowledge and work experience.

In 2024, the Company convened a total of 4 general meetings of shareholders, 17 meetings of the Board of Directors, 6 meetings of the Board of Supervisors, 25 meetings of professional committees, 3 special meetings of independent directors, and 1 general meeting of shareholders. These meetings addressed various matters, including review of regular reports, profit distribution, share repurchase and cancellation, and the election of new members, which improved the governance system and strengthened the internal control system. As a result, the Company’s operational levels and quality has been greatly improved at the same time of ensuring fair and scientific decision-making.



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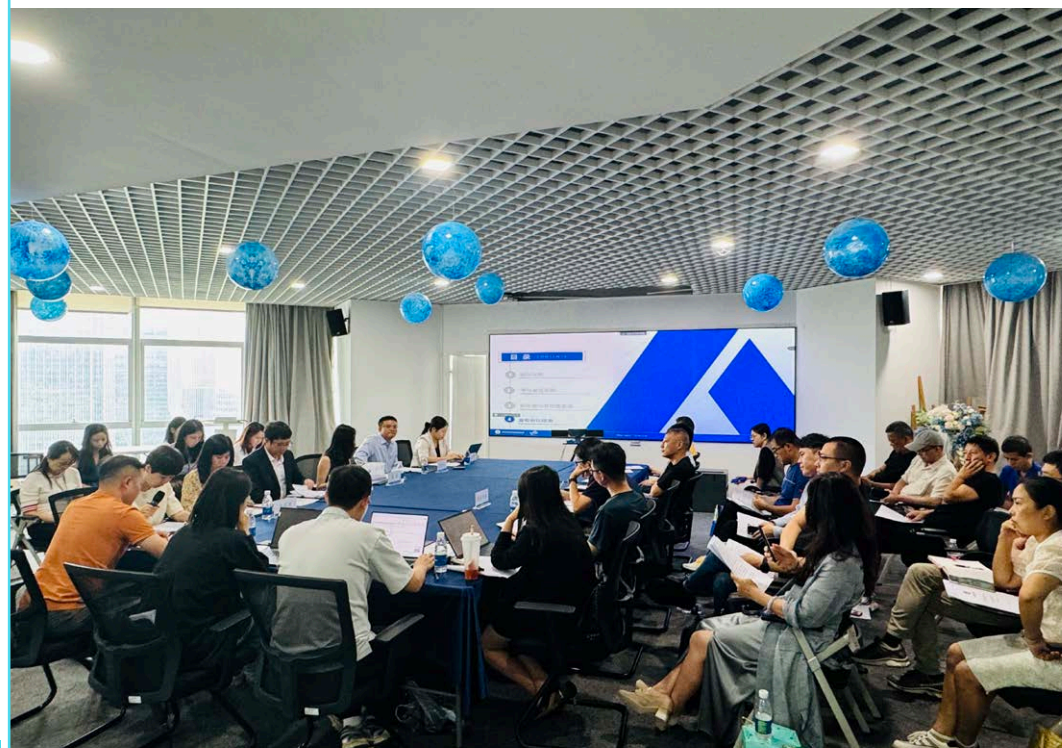
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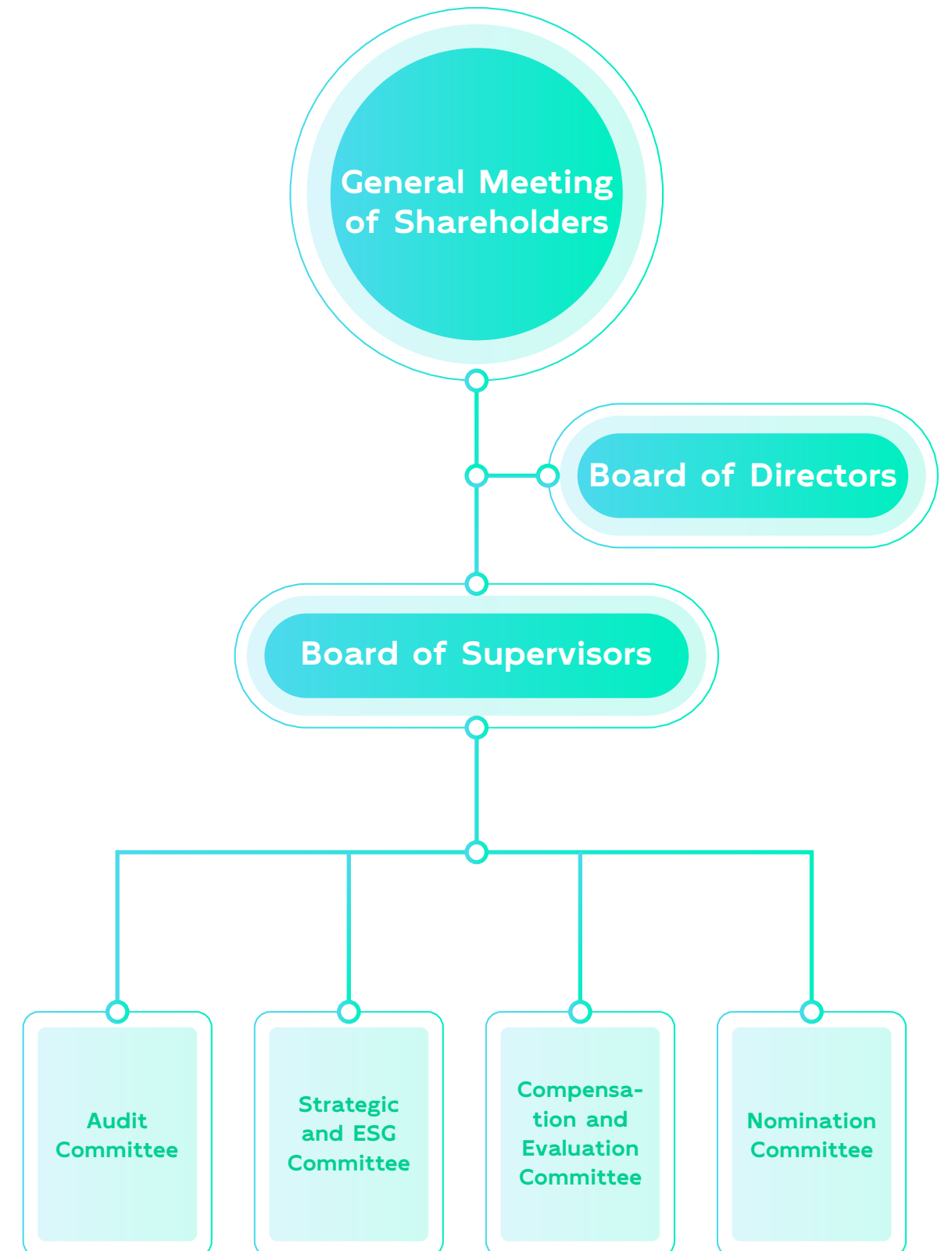
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Thanks to the steadily enhanced governance capabilities, high-quality information disclosure, and excellent performance in valuing shareholder returns, the Company was recognized as the "2023 Golden Information Disclosure Award" by China Securities Journal at the 26th Golden Bull Award for Listed Companies in 2024, and has held the title of the "Best Board of Directors Award for Listed Companies" on the reputation list of Chinese listed companies for four consecutive years.



Appotronics won the "2023 Golden Information Disclosure Award" at the 26th Golden Bull Award for Listed Companies



Appotronics has held the title of the "Best Board of Directors Award for Listed Companies" for four consecutive years

## Investor Relationship Management

In 2024, Appotronics strengthened communication and interaction with investors in various ways, establishing a good capital market image. The Company held over 270 investor reception activities throughout the year, including roadshows, reverse roadshows, online and offline strategy meetings, and investor open days, contacting over 550 investors.

In terms of information disclosure, the Company strictly complies with laws and regulations and the Information Disclosure Management Policy to ensure truthful, accurate, complete, timely, and equitable disclosures. The Company has proactively published ESG reports and letters to shareholders multiple times and disclosed designated partnerships with domestic and international automobile manufacturers and English versions of regular reports, to help investors understand the Company's fundamentals and long-term strategy.

In addition, the Company held 4 performance briefings and 3 investor open day reception activities throughout the year, answering over 950 investor hotline calls, proactively disclosing 9 research information record sheets, and regularly responding to over 130 investor inquiries on public communication platforms.

Investor reception activities

270+ events

Investors reached

550+ investors

Performance briefings

4 times

Investor open day reception activities

3 activities

Investor hotline answering

950+ calls

Proactive disclosure of research information record sheets

9 sheets

Response to inquiries from public communication platforms

130+ items





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### Case: Enriching channels and methods of communication with minority shareholders

In the past two years, the Company has successfully engaged in the automotive business and actively utilized industry exhibitions to expand channels for communication with investors. Subsequent to the 2023 Shanghai International Automobile Industry Exhibition, the Company participated in the 2024 Beijing International Automotive Exhibition, where we attracted numerous institutions and small and medium-sized investors. We proactively arranged an investor relations management team to receive minority shareholders at the exhibition site, and equipped them with professional guides to lead investors to intuitively experience the Company's new products and business prospects.

Additionally, in 2024, the Company, in collaboration with the Shanghai Stock Exchange, Bosera Asset Management, Huatai Securities, Agricultural Bank of China, and other institutions, held multiple collective reception activities for minority shareholders. These reception activities included an exhibition hall visit, company presentations, Q&A sessions, and free communication, through which minority shareholders gained a comprehensive understanding of the Company and discussed suggestions for future development. With these initiatives, we have achieved two-way communication between the Company and the capital market and safeguarded minority shareholders' rights.



“Servicing Investors to Share High-quality Growth” | Investors Entering  
Appotronics Event Titled “I am the Shareholder”

## Repurchase of Shares

In 2024, the Company executed three share repurchase programs, cumulatively repurchasing 7.1269 million shares with a total investment of RMB 119 million. Due to confidence in our technological capabilities, business resilience, growth prospects, and intrinsic value, we canceled 5.8425 million shares from the dedicated repurchase securities account. Through these actions, the Company, without affecting daily operations, expressed greater sincerity to investors that we attached great importance to the capital market, so as to boost investors' confidence in shareholding.

## 02.Integrity and Compliance

Compliance operation forms the cornerstone of high-quality corporate development and the key resilience in response to volatile markets. The Company upholds integrity and compliance, strengthening internal control management to build an honest, responsible, and trustworthy corporate image while continuously enhancing compliance operation capabilities and comprehensive quality in the global market.

## Financial Compliance

The Company has institutionalized standardized financial processes for the collection, processing, and confirmation of financial data by formulating policies such as the Financial Information Disclosure Management Regulations, the Revenue Accounting Methods, and the Financial Position Manual. For important financial data, the Company regularly analyzes and monitors financial positions to promptly identify and address anomalies, ensuring data accuracy and completeness. At the same time, the Company has improved the preparation process for financial reports, implementing multi-tiered verification mechanisms with clarified responsibilities for different levels to minimize errors in financial reports. The annual report is audited by external auditing firms to further enhance data reliability.

In addition, the Company regularly tracks the latest regulations from the Ministry of Finance and other regulatory authorities to organize timely policy dissemination, and strengthens training in accounting policies to enhance financial personnel's understanding and application of policies. We also revise our financial policies promptly based on regulatory changes to ensure that our accounting methods comply with accounting standards and regulatory requirements.



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Compliance with Intellectual Property Rights

The Company attaches great importance to the compliance with intellectual property rights, subject to the principle of protecting its own intellectual property rights while respecting others' intellectual property rights, ensuring comprehensive protection of intellectual property rights through various measures. Focused on core technologies and application scenarios, the Company deploys patents, trademarks, and copyrights protection worldwide through timely application and registration to protect intellectual property rights achievements. At the same time, the Company continuously pays attention to new policies and regulations regarding intellectual property rights protection to improve management policies and strengthen trade secret protection, and conducts intellectual property rights early warning to reduce intellectual property rights risks during the development process.

In 2024, the Company obtained the certification of Requirements for Enterprise Intellectual Property Compliance Management Systems (GB/T 29490-2023). This standard was officially implemented on January 1, 2024. This updated standard, highlighting compliance attributes, has strengthened the intellectual property rights compliance management system to help enterprises regulate management and prevent risks.

03.Risk Control

Enterprise risk control is crucial since it enables early identification of risks, loss mitigation, operational stability, and enhanced competitiveness, and drives sustainable development.

Audit Mechanism

Top-tier management

The Company advocates for the values of integrity and honesty, maintaining a zero-tolerance attitude towards corruption. The Board of Directors is responsible for overseeing anti-corruption efforts, while the Audit Department is in charge of integrity governance and advocacy, ensuring that business management complies with ethical and commercial standards.

Cultural Awareness

Guided by the philosophy of "Transparent Integrity, Mutual Benefit", the Company deepens its integrity ecosystem through the following approaches. Internally, we enhance employees' integrity awareness through signing integrity commitments, conducting integrity publicity activities, and learning anti-corruption letters. Externally, we solidify our foundation of integrity by signing integrity agreements, sending holiday greetings, and carrying out offline visits to create a transparent and fair business environment. For example, in the training for new employees, we conduct integrity publicity activities to advocate integrity governance goals and interpret relevant clauses, and publicize reporting and complaint channels, so that employees can fully understand integrity policies.



Integrity publicity activities in the onboarding training for new employees



Organizing employees to study the "CEO's anti-corruption letter"





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In 2024, the Company organized all employees to study the CEO’s anti-corruption letter titled in “Steadfastness with a Certain Reverence Leads to Solid and Sustained Progress”, in order to deeply internalize the “Integrity, Simplicity, Probity, Performance-Driven” cultural values.

Work structure

Internal control evaluation

The Company has established an independent Audit Department with internal audit work overseen and evaluated by the Audit Committee of the Board of Directors to ensure the independence and authority of the audit work. The Audit Department adopts a project-based model to conduct a full-chain audit of business processes. For high-risk matters, the Audit Department conducts special investigations, cyclically assessing risks and driving corrective actions to assist in optimizing workflows and enhancing operational efficiency and risk control capabilities.

In 2024, the internal control work focused on special governance of internal control matters, management improvement, and process system construction. Through special governance, business process audits, internal control interviews, and departmental feedback, etc., we identified process and internal control risks and analyzed reason from a full-process management perspective in a timely manner, so as to drive all departments to optimize processes, rectify internal control deficiencies, and continuously enhance the level of internal control governance.

Internal Control Mechanism

Externally, the Company has established a comprehensive risk management system spanning all business operations to identify internal and external risks in compliance with the laws and regulations such as the Company Law of the People’s Republic of China, the Securities Law of the People’s Republic of China, and the Company’s Articles of Association. With clarified operational requirements for risk assessment, response, avoidance, reduction, and acceptance, the Company standardizes risk management and enhances risk prevention levels to protect investors’ rights and interests.

Internally, guided by risk management principles, the Company strengthens planning coordination and cross-departmental synergies, optimizes supply chain resilience through data-driven operational analytics, and drives management optimization and cost-efficiency initiatives to meet reform and innovation demands.

In 2024, the Company conducted multiple training sessions, such as the Legal Knowledge for R&D

Personnel, the Issues of Foreign-related Contracts and Visas, and the Prevention of Common Legal Risks in Enterprise Contracts, to raise employees’ risk awareness and capabilities.



The Company held a special training on legal knowledge for R&D personnel



The Company held a special training on issues of foreign-related contracts and visas





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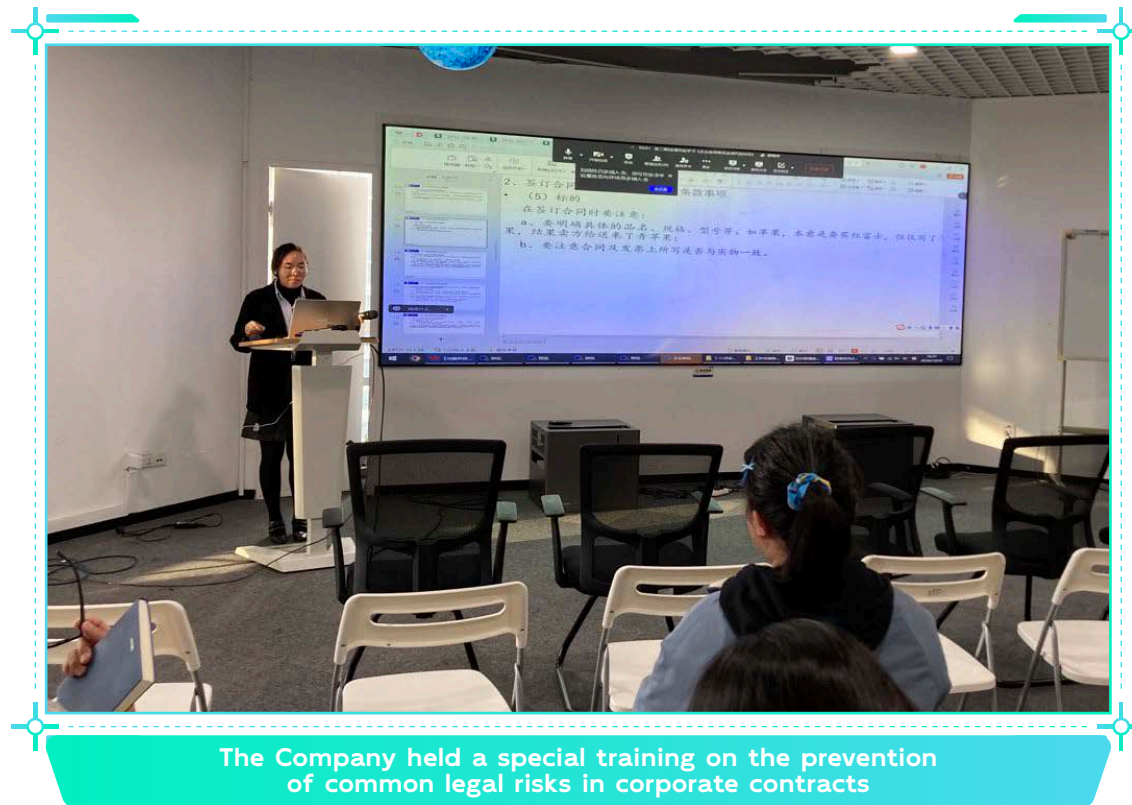
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## Anti-corruption

In order to create a clean corporate environment, Appotronics has successively issued a series of documents internally, including the Anti-Corruption Management System, the Conflict of Interests System, and the Top Prohibitions for Employee Action. At the same time, the Integrity Agreement has been embedded in the employment contracts for employees. In 2024, the Company required all employees to sign integrity commitments, clearly outlining the integrity obligations that employees must fulfill during their tenure.

At the same time, the Company publicizes reporting channels through the official website, partner integrity agreements, holiday greeting emails, OA platform, and other means, to encourage all partners and employees to report corrupt behaviors. To ensure the effective implementation of reporting, the Company arranges for designated personnel to follow up reporting leads through dedicated channels, with strict confidentiality maintained throughout the entire process, so as to ensure comprehensive protection of the whistleblower's privacy and legal rights. The Company strictly prohibits any form of retaliation against whistleblowers. Any discovered acts of retaliation will be punished severely, and may resort to judicial authorities for serious legal accountability if involving illegal matters.

◆ The specific reporting system and processing mechanism are as follows:

Whistle-blowing hotline

13620926735

Whistle-blowing email

jubao.audit@appotronics.com

Whistle-blowing reward

For individuals who actively report and cooperate with the investigation and verification, Appotronics will reward the whistleblowers with 30% to 50% of the recovered amounts (up to RMB 1 million in maximum), and the whistleblowers will be exempt from punishment and given priority cooperation opportunities under the same conditions.

Protection measures

For whistle-blowing clues, the Company will assign dedicated personnel to follow up and manage, and strictly maintain confidentiality to protect the legitimate rights and interests of the Whistleblowers.



Integrity whistleblowing information published on the Company's official website



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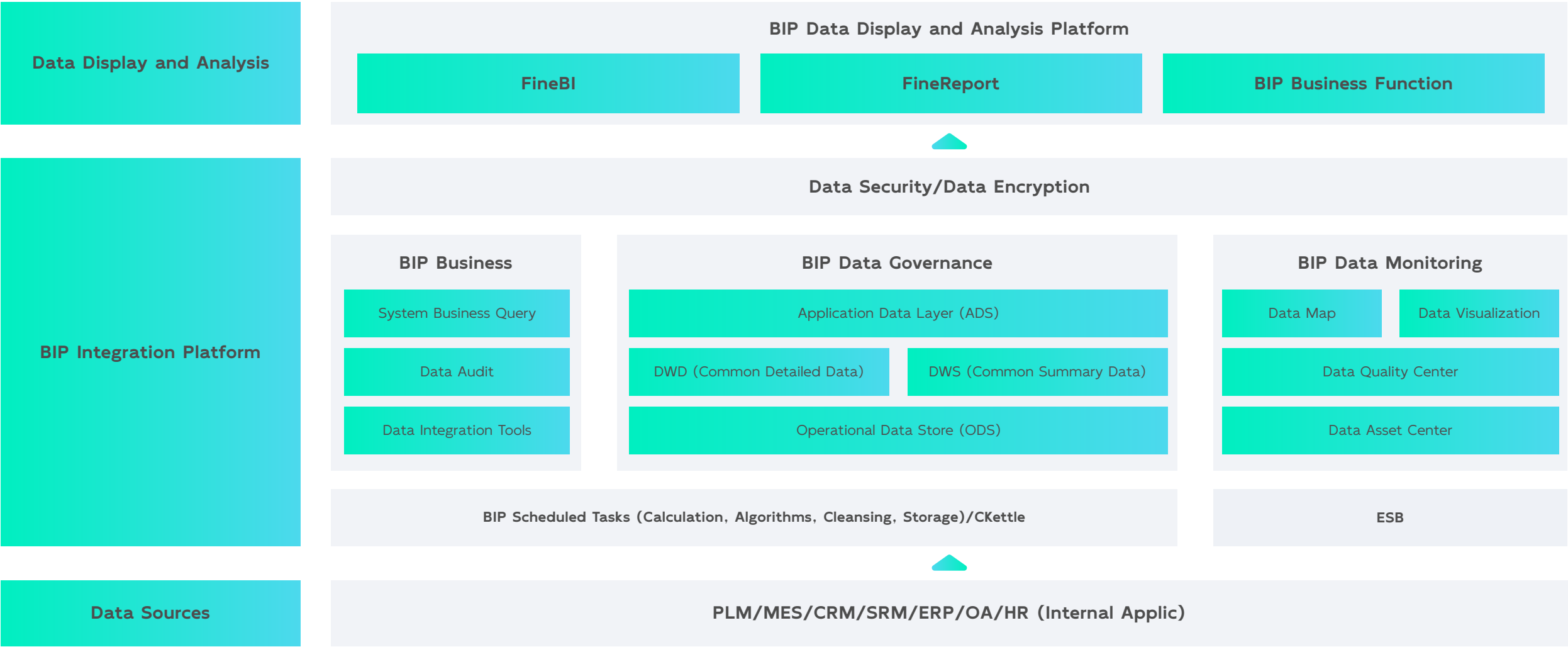
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# 04.Digital Construction

Appotronics recognizes digital construction as a pivotal enabler in the modern era. Particularly, the adoption of AI technology has significantly enhanced operational efficiency, optimized customer experiences, strengthened corporate competitiveness, and accelerated market responsiveness. Digitalization has driven sustainable development by breaking down information silos, enabling collaborative workflows and reducing operational costs. The Company encourages all employees to actively embrace AI transformation and jointly promote the Company’s journey towards digitalization (Please refer to the special topic I in this Report for details).

In 2024, Appotronics successfully launched multiple information systems, including MOM, HR, and BIP. The MOM system enhanced the data collection capabilities of automated equipment, laying a solid foundation for the construction of intelligent factories; the HR system addressed the pain points of the previous system, significantly improving human resource management efficiency; the BIP system, as a bridge for information systems, achieved data integration and analysis in combination with FineBI tools, effectively supporting enterprise operations and decision-making.

◆ The Company’s self-developed BIP system for internal use





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# Green Development for Ecological Co-prosperity





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# Green Development for Ecological Co-prosperity

## 01.Addressing Climate Change

### Climate Strategy

With emphasis on the construction of climate resilience, Appotronics integrates the “sustainable development philosophy” into the development strategy. We proactively fulfill our social responsibilities in climate governance and continuously strengthen our climate risk awareness and identification capabilities to adapt to tightening green policy constraints, and accelerate our internal green management optimization to advance carbon peaking and carbon neutrality goals and address global climate challenges.

In 2023, the Company commissioned a professional agency to conduct an independent third-party verification on the Company’s greenhouse gas inventory report according to ISO 14064-1:2018 and ISO 14064-3:2019. Based on the results of this verification, which took the Bao’an factory as the organizational boundaries, scope 1 and scope 2 emissions were measured at 264.43 tons of carbon dioxide equivalent and 2,939.37 tons of carbon dioxide equivalent, respectively. With the relocation of the Company’s factories and headquarters to a new place and the introduction of new smart production equipment, the Company will redefine organizational boundaries and establish updated emission reduction targets on the basis of the 2025 greenhouse gas accounting.

In the future, the Company will achieve carbon reduction and energy conservation by increasing clean energy adoption, optimizing production technologies, developing and popularizing new low-carbon and eco-friendly technologies, implementing circular production models, and so on.

### Climate-related Risks and Opportunities

Climate change is bringing a series of risks to ecosystems and human economic and social development. Accordingly, Appotronics has formulated response measures based on the analyzed impact of climate change risks that have been actively identified and assessed by us on key links in the value chain upstream and downstream. At the same time, the transformation of national policies also brings many business growth opportunities. Upholding proactive transformation, the

Company is accelerating green and low-carbon innovation to do our best to form new market competitive advantages.

#### Climate Risk Analysis

Category	Name	Impact Explanation	Response measures
Physical Risks	Acute risks (such as typhoons, heavy rain, and other extreme weather events)	As the Company’s principal operating locations are placed in coastal areas, sudden risks, such as typhoons, heavy rain, high temperatures, and long-term risks, such as rising sea levels, may have a certain impact on the Company’s daily operations, like reduced employee work efficiency, damage to fixed assets such as production equipment, or other potential economic losses.	1. The Company has formulated the Emergency Response Preliminary Plan for Natural Disasters and established corresponding early warning and response mechanisms, which are continuously updated and improved according to actual situations;
	Chronic risks (such as prolonged high temperatures, drought, etc.)		2. To mitigate potential damage to fixed assets, the Company has purchased appropriate insurance to effectively reduce economic losses;
			3. The Company is able to provide technical support for employees working from home to ensure a normal work pace;
			4. On the production side, the Company can ensure production pace effectively through measures such as production plan optimization, efficient production organization, and enhanced ability of equipment to withstand extreme weather in a rational manner.



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Climate Risk Analysis

Category	Name	Impact Explanation	Response measures
Transformation risk	Policy and legal risk	Since the national policy of carbon peaking and carbon neutrality imposes more rigorous requirements on the disclosure of emission reduction information related to corporate climate, and there are inconsistencies between domestic and international policy frameworks, the Company is exposed to increased compliance costs and stricter regulatory enforcement.	The Company continuously pays attention to international policies and relevant laws and regulations in the field of carbon peaking and carbon neutrality to timely report relevant information to business divisions and incorporate climate change factors into investment decision-making considerations.
	Technology risk	Achieving emission reduction goals poses new demands for technological upgrades, urgently requiring the development of more low-carbon and environmentally friendly technologies and products.	In technical research and development and product design, the Company considers energy conservation and environmental protection as important factors, paying attention to low-carbon technologies in the industry and market to introduce cooperation in a timely manner.
	Market risk	Consumers and customers are willing to choose more low-carbon and environmentally friendly products. At the same time, the high requirements for emission reduction throughout the entire industry chain may lead to increased costs of raw materials and energy.	The Company increases investment in green innovation, optimizes supply chain management, selects low-carbon and eco-friendly raw materials, and obtains financial support by leveraging green financial tools to alleviate financial burdens.
	Reputation risk	Failure to adapt to the trend of green development may harm brand credibility and cause investors to lose confidence.	The Company regularly discloses climate information, promptly responds to stakeholder concerns, actively fulfills climate responsibilities, participates in the formulation of industry green standards and policies, and strengthens cooperation with environmental protection agencies.

Analysis of Climate Opportunities

Category	Name	Impact Explanation	Response measures
Transformation opportunities	Technology opportunities	Green technology can promote the transformation of enterprises towards low-carbon and sustainable models, leading to the emergence of brand-new business models.	Centered around the ALPD® semiconductor laser light source technology, by leveraging lasers' advantages of low-energy consumption and environmental protection, the Company continuously increases investment in green innovation to integrate this ALPD® technology throughout the entire process from technology to product, thus attracting the favor of the low-carbon economy market.
	Industry opportunities	With the continuous expansion of the green market, laser display technology, which is recognized as a strategic emerging industry in China, has demonstrated significant energy-saving advantages and obtained benefits from favorable policies of carbon peaking and carbon neutrality. At the same time, the concept of sustainable development has become deeply rooted in public consciousness and widely embraced as a shared value across the industry.	As a lead organization for major national scientific research projects, the Company actively participates in influential domestic and international forums, stays aligned with policy directions, takes the initiative to undertake national-level initiatives, and contributes to the formulation of domestic and international standards. Through enhanced industry dialogue and collaboration, the Company plays a vital role in promoting the development of the semiconductor laser light source industry.
	Reputation opportunities	The Company proactively fulfills its social responsibilities by increasing investment in green research and development and delivering eco-friendly products. These efforts not only enhance the Company's brand image to attract ESG investments but also help establish robust supply chain partnerships that deserve trust and support.	By strengthening disclosure related to low-carbon products and zero-carbon governance, the Company, with integration of green principles into product design, conducts regular greenhouse gas inventories and actively purchases green electricity to replace fossil energy. Through these actions, the Company demonstrates its commitment to energy conservation and emissions reduction, building a strong reputation for sustainability.



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## 02.Green R&D and Innovation

Laser technology stands out as a highly representative energy-efficient light source due to several distinctive characteristics, including: high luminous efficiency, converting a greater proportion of energy into light; strong directionality, ensuring concentrated energy output and minimal waste; excellent monochromaticity, delivering precise wavelengths as needed; long lifespan, reducing replacement costs; and high compatibility with modern technologies, significantly reducing energy consumption due to broad application across display, lighting, industrial, and medical sectors.

Appotronics fully leverages its self-developed ALPD® semiconductor laser light source technology to maximize energy-saving benefits throughout the product R&D and design process, thereby advancing its efforts to break through green technology barriers. Taking Appotronics' ALPD® laser light source cinema projection solution as an example, according to the results that have been extensively tested and validated, compared with xenon lamps, the laser light source can save 1.8 kWh of electricity per hour on average, and 1 kWh of electricity generates approximately 0.86 kg of CO<sub>2</sub>. As of December 31, 2024, the light sources of Appotronics' laser projection solutions in China, with a total running time of approximately 379 million hours, have collectively saved 682 million kWh of electricity and reduced carbon dioxide emissions by over 586,800 tons.

### Case: Energy-saving features of ALPD® laser projectors attracted international clients

In June 2024, CINEAPPO participated in the CineEurope 2024 exhibition and showcased its ALPD® laser light source cinema projection solutions. As the energy-efficient ALPD® laser light source could significantly reduce cinema electricity costs while maintaining high projection quality, it garnered significant attention at CineEurope 2024. Especially, it is a good choice for cinema operators in regions such as Europe, since this solution meets their demands on high projection quality and lower electricity costs. One overseas customer commented: "Introducing ALPD® laser technology was very timely. After the upgrade, we saw improvements in brightness, extended device lifespan, and substantial energy savings, which are truly impressive. ALPD® has been widely used in the Chinese market for nearly a decade, with proven reliability and responsive after-sales service. We are very satisfied."

### Case: Energy-saving features of ALPD® laser projectors attracted international clients



The Company participated in the CineEurope 2024 exhibition





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## 03.Green Buildings

In 2025, Appotronics' headquarters building officially commenced operation. During the construction phase, with the aim of creating a green building resilient to climate-related risks, Appotronics continuously addressed various challenges and considered a wide range of environmental factors to preserve the ecological environment characteristics before and after construction while integrating sustainability principles throughout the project. We adhered to strict environmental standards to extend the building's environmental life cycle and advance the Company's commitment to a sustainable future.

### Green Building Certification

In March 2024, Appotronics' headquarters building passed a comprehensive evaluation and achieved the Shenzhen Bronze-level Green Building Certification as meeting the requirements of the Shenzhen Residential Building Energy Conservation Design Code (SJG 45-2018) and the Shenzhen Public Building Energy Conservation Design Code (SJG 44-2018).

Throughout the construction process, Appotronics upheld green building principles and promoted zero-carbon development. The building features a high-efficiency central air conditioning system, intelligent lighting, and energy management systems to optimize energy consumption. At the same time, it has improved water utilization efficiency through measures such as rainwater retention systems, water-saving fixtures, and micro-spray irrigation. This project also utilizes recyclable green building materials and optimized spatial design to enhance natural ventilation while minimizing light and noise pollution.

The completion of Appotronics' headquarters building is a vivid demonstration of the Company's green development philosophy, which aligns with its mission of "empowering green development through technology."



Overall view of Appotronics Headquarters Tower





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Energy-efficient Building

In response to global challenges such as energy shortages and environmental degradation, Appotronics is committed to eliminating energy waste from its source. Appotronics Headquarters Tower achieves industry-leading performance in energy savings, water efficiency, and integrated resource utilization through optimized power distribution, lighting, and HVAC systems.

Appotronics introduced two 10kV municipal power supplies (each with a load of 12000kVA) in the headquarters building, employing a ring network power supply system for mutual backup, so as to reduce line overload and lower energy consumption. At the same time, the building is equipped with diesel generator sets with four large-capacity dry-type transformers, and the power distribution room is located within 200 meters of the furthest load to shorten transmission distance and reduce line losses. In terms of the lighting system, we maximize the use of natural light in combination with smart control systems for automated and centralized management in public and exterior spaces of this building. Through various control methods, including grouping, illumination sensing, motion detection, and dimming strategies, a combination of coarse and fine adjustments is available, which will minimize the lighting energy consumption. The HVAC system employs various high-efficiency solutions to further save electricity. In details, we deploy water-cooled thermal energy storage central air conditioning systems for the main units of commercial air conditioning in R&D rooms, combined air-handling units for the ground-floor lobby, coil units and fresh air systems for podium buildings and office areas, split-type air conditions for essential equipment rooms such as pump control room, and variable frequency fans for ventilation system of the underground garage.

Through these comprehensive measures, we significantly improve the building’s energy efficiency and establish a benchmark for energy-saving practices in the industry.



The headquarters building adopted a lower energy-consuming water storage central air conditioning cooling system

Sponge City System

With the rapid pace of urbanization, the increased impermeable surfaces in cities have reduced rainwater infiltration, exacerbating water management challenges such as lakes and wetland degradation and weaker urban drainage capacity. Located in the Liuxiandong Headquarters Base in Nanshan District, Shenzhen, where the environment is hydrologically sensitive, Appotronics Headquarters Tower required an effective sponge city system to address these challenges.

Appotronics adopted the strategy of “Low Impact Development (LID)” with the core objective of maintaining pre-development hydrological characteristics. Through methods such as infiltration, retention, and regulation, we enhanced projects’ resilience to risks and achieved goals such as mitigating flooding, reducing runoff pollution, and improving rainwater utilization, thereby contributing to the development of a green and ecological urban environment. During the construction process, we adopted “natural sponge” strategies in the projects. We utilized terrain to divide drainage zones and organize drainage systems, and favor gravity-based drainage systems to reduce pipeline depth. Meanwhile, we install PP modular water storage tanks to collect and store rainwater, reducing peak flow and delaying runoff peaks, so as to ensure a certain amount of runoff is discharged after development. We also applied the “artificial sponge” techniques, including lateral and bottom waterproofing to prevent subsidence, discharge openings in impermeable areas such as roads and parking lots to prevent erosion, and flow and energy dissipation measures at pipeline inlets to minimize impact.

As of the end of the reporting period, the sponge city system at Appotronics’ headquarters building achieved a total runoff control rate of 73.44% with an annual runoff pollution reduction rate of 58.75%. These results fully met the requirements of the Sponge City Special Plan of Nanshan District and the land use planning permit. Appotronics’ headquarters building has successfully passed the final inspection.



The PP modular water storage tanks adopted by the Appotronics Headquarters Tower project



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## Soil and Water Conservation Measures

Located in a coastal area, Shenzhen has a South Asian tropical monsoon climate with an average annual rainfall of 1,935.8 mm and is typically affected by 4 to 5 typhoons each year. This makes the region prone to geological hazards, and preventing soil erosion is a vital aspect of corporate social responsibility.

With adherence to an “ecology-first” principle, Appotronics integrates the concept of harmonious coexistence between humans and nature into the development of soil and water conservation infrastructure. We are committed to enhancing resilience to natural risks and advancing green infrastructure development. During the construction of the headquarters building, Appotronics followed a site-specific and hazard-targeted approach to ensure that soil and water conservation facilities were built and utilized simultaneously with the main building structure. A professional institution was engaged to design detailed construction plans. The project adopted a combination of engineering and vegetation-based measures, supplemented by temporary protective actions, to effectively prevent additional soil erosion caused by human activity. Tailored to the specific characteristics of each area, measures that we adopted include: installing vehicle washing stations to clean vehicles, covering exposed soil with geotextiles before rainfall or high winds, and planting grasses and landscaping to stabilize surfaces. Through scientific planning and orderly construction, the headquarters building achieved a total landscaped green area of 199.88 square meters, with a 100% vegetation restoration rate. These efforts have effectively mitigated the risk of soil erosion, lowered operational risks, and contributed to the Company’s long-term, stable development.







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# 04.Green Operations

## Energy Management

Appotronics regards energy management and environmental protection as key drivers of long-term development. We are committed to creating a highly efficient and sustainable operational environment by continuously optimizing production and operational processes through advanced energy-saving technologies. We also actively promote waste recycling and resource circularity to minimize the impact of our production on the environment.

To achieve highly efficient energy management, Appotronics continues to promote the establishment and improvement of the energy management system, and successfully passed the ISO50001 certification again in 2024. Adhering to the concept of energy conservation and emission reduction to improve energy efficiency, the Company incorporates energy management into daily production and management to systematically achieve energy conservation and consumption reduction goals as scheduled.

## Disposal of Three Wastes and Others

Wastewater treatment	The domestic wastewater generated at the Company's office is treated by the office building and industrial park property management entity, and will be discharged into the municipal sewage network after meeting the standards through pre-treatment. As of the end of the reporting period, a third-party testing agency tested the wastewater generated by the Company's production activities in accordance with the Limit Values of Discharge Standard for Water Pollutants of Guangdong Province. The tested results indicated that the Company's industrial wastewater discharge complied with the relevant standards.
Waste gas treatment	The Company produces a small amount of waste gases during its production and operation process, mainly including tin-containing waste gas and non-methane total hydrocarbons. These gases are treated by the Company through UV photolysis, activated carbon adsorption devices, air purification equipment, etc. According to the tested results based on the Limit Values of Emission Standard for Air Pollutants (DB44/27-2001 Level 2 Standard), the emission concentration of waste gases from the production and operation process has satisfied the local environmental protection standards.
Noise treatment	The noise generated during the Company's production and operation process is minimal. In March 2024, a third-party testing agency conducted tests on our production site according to the Emission Standard for Industrial Enterprises Noise at Boundary (GB12348-2008) and concluded that all testing results met the emission standards.

Solid waste treatment

The Company's waste is mainly divided into three categories: recyclable, non-recyclable, and hazardous waste, which are collected separately and delivered to recycling companies for compliance treatment. The Company verifies the business qualifications of the recycling companies annually and signs relevant recycling contracts with them. Additionally, the Company pays monthly management fees to the property management entity to ensure that the waste generated by the Company will not have any negative impact on the environment.

## Green Operation

Appotronics insists on integrating green operations throughout all aspects of its work processes, actively advancing carbon reduction and digital inclusivity. Appotronics conveys and communicates information through comprehensive information system construction, optimized online process approval, digital tools such as electronic receipts and invoices, and emails, to reduce the use of office supplies such as paper, ink, and printers. Through these measures, we could decrease carbon dioxide emissions and environmental pollution by reducing the consumption of natural resources and the generation of waste, so as to achieve sustainable development and environmental protection.

In 2024, Appotronics fully transitioned to digital invoices, completely replacing paper invoices. Since digital invoices require neither printing nor photocopying, they can greatly reduce paper consumption. Moreover, the digital nature of digital invoices eliminates the need for physical transport and storage, thereby cutting carbon emissions generated from transportation and storage. According to statistics, the Company issues approximately 77,000 digital invoices annually on average, saving a corresponding amount of paper and reducing logistics costs by tens of thousands of RMB.

In daily operations, Appotronics places a strong emphasis on cultivating environmental awareness. Employees are encouraged to practice eco-friendly behaviors both at work and in their personal lives, including prioritizing sustainable products and services. The Company has also implemented a series of green office initiatives to reinforce the environmental protection concepts. These green office measures include, among other things, implementing waste sorting in public areas, posting energy-saving signs, promoting water conservation, electricity-saving, paper-saving, reducing the generation of office waste, and enhancing recycling and reuse practices.



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04

# New Quality Empowerment for World Connection







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# New Quality Empowerment for World Connection

## 01. Quality Management

Product quality is the cornerstone of market success and the key to winning customer trust. Appotronics remains firmly committed to excellence in quality, striving to stand out in a competitive landscape and achieve sustainable growth. In 2024, the Company once again passed the ISO 9001 and IATF 16949 quality management system certifications, demonstrating its adherence to quality management concepts of high standards, superior quality, and operational efficiency. Upon these two internationally recognized systems, Appotronics has reconstructed its internal quality management processes to streamline workflows, clarify responsibilities, and optimize resource allocation, thereby enhancing efficiency and coordination across departments.

The Company has established a series of normative documents, including the Appotronics QEH Management Manual, the New Product Design and Development Management Regulations, and the Software Quality Management Methods, which provide institutional support for new product development. At the same time, the Company has achieved full-chain quality control from R&D to manufacture by building a laboratory system and a quality monitoring framework, ensuring excellence at every stage of the product lifecycle.

Adhering to a “zero-defect” quality culture, Appotronics embeds quality control into every aspect of production management, including real-time production monitoring, intelligent control over equipment aging, and 5S visual management practices to ensure that every product meets the highest standards. The Company’s products, particularly in high-end core components, automotive solutions, and laser cinema projection equipment, have demonstrated exceptional performance and reliability. Therefore, we earned widespread recognition from industry leaders such as SERES, Geely, Barco, China Film Group, and major international automotive manufacturers. Furthermore, the Company places strong emphasis on fostering a culture of quality awareness among its employees and has achieved 100% training coverage in product quality for all relevant personnel, laying a solid talent foundation for robust quality management.



Consistently maintaining ISO9001 Quality Management System Certification  
Consistently maintaining IATF16949 International Automotive Quality Management System Certification.

### Case: Continuous improvement of quality personnel skills

In 2024, the Company organized a total of 45 quality-related training sessions and completed training for approximately 675 participants, continuously improving the quality personnel's knowledge of product quality and system-related skills.





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Rigorous Quality Control in the DQA Laboratory

Appotronics’ DQA Laboratory is dedicated to ensuring comprehensive quality assurance in product design. Upholding stringent standards, the laboratory oversees every link of the product lifecycle to deliver safer, more reliable, and higher-quality products to society.

The DQA laboratory operates efficiently under the ISO/IEC 17025 international laboratory management system. It has been accredited by the China National Accreditation Service for Conformity Assessment (CNAS) to issue CNAS reports that are credible to the public and recognized by the international community. The laboratory covers two key domains: consumer electronic products and vehicle electronic products, with comprehensive testing capabilities spanning reliability, optics, safety, electrical performance, and functional testing. Moreover, the laboratory has established a safety testing laboratory, which introduces a series of international standards, such as IEC/EN/UL/CSA 62368-1. By embedding these globally leading safety standards throughout the product design process, Appotronics ensures superior product performance and safety in an all-around way.

Laboratory certificate

International/ National	Authorized and accredited laboratory name	Profile of the authorized and accredited agency	Authorization level	Authorization standard	Certificate/Plaque
International	WTDP Laboratory	UL Solutions is the most authoritative safety testing and certification agency in the United States and a leader in the global safety industry. It engages in safety testing and certification businesses all over the world. Products certified by UL have high credibility in government agencies and consumer groups.	WTDP&CTF2	A series of standards such as IEC/EN/UL/CSA 62368-1	
International	SATELLITE Laboratory	Intertek, as an international authoritative testing institution and third-party notary public office, is one of the largest consumer goods testing, inspection, and certification institutions in the world, renowned globally for its professionalism, accuracy, and integrity.	Level 2&CTF2	The same as above	



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International/ National	Authorized and accredited laboratory name	Profile of the authorized and accredited agency	Authorization level	Authorization standard	Certificate/Plaque
International	TÜV SÜD Authorized Laboratory	TÜV SÜD is one of the world’ s leading testing and certification service providers that stands for safety and quality in almost all areas of business and life. The TÜV logo on a product is equivalent to a safety and quality credit card and can serve as a passport to enter the international market. UL, ITS, and TÜV are the top 3 author- itative agencies recognized in North America. UL, ITS, and TÜV are the top 3 authoritative agen- cies recognized in North America.	Level 2	IEC/EN/UL 62368-1, CSA C22.2 No.62368-1, AS/NZS 62368.1, EN IEC 62368-1	
International	Listed on the IEC official website	The International Electrotechnical Commission (IEC) is one of the three major international standard organizations.	CTF2	The same as above	





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International/ National	Authorized and accredited laboratory name	Profile of the authorized and accredited agency	Authorization level	Authorization standard	Certificate/Plaque
National	CNAS Laboratory	China National Accreditation Ser- vice for Conformity Assessment	/	Testing standards related to projectors	
International	Appotronics-Intertek Strategic Cooperation Laboratory	Intertek, as an international au- thoritative testing institution and third-party notary public office, is one of the largest consumer goods testing, inspection, and certifica- tion institutions in the world, renowned globally for its profes- sionalism, accuracy, and integrity.	/	/	



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## Compliance Design

Appotronics is committed to developing safe, reliable, and high-quality products. We design products in strict compliance with global market access requirements, with a focus on areas including laser radiation, optical biological safety, electrical safety, electromagnetic compatibility, hazardous substances, energy efficiency, and environmental protection.

For the domestic market, the Company's products have passed the national mandatory CCC certification, national radio transmission equipment model approval certification, voluntary national energy conservation and environmental protection CECP certification, environmental label certification, as well as product-specific certifications, such as low blue light certification, visual health certification, and low flicker-gold standard certification, etc. For the overseas markets, the Company's products have met the access requirements of various regions and obtained a number of certifications, including but not limited to CB, cULus, cETLus, cTUVus, FCC ID, IC ID, CE RED, KC, MSIP, and FDA registration.

Furthermore, throughout the R&D, production, packaging, and transportation phases, Appotronics strictly complies with green environmental protection requirements defined in international environmental regulations, such as EU RoHS 2.0, REACH, WEEE Directive, and Packaging Directive 94/62/EC. The Company fulfills its environmental responsibilities and reports/registers to relevant departments.

### Display of some authentication certificates



## Quality Honors

Appotronics has been awarded the "Category A Enterprise" by the China Quality Certification Center (CQC), which has been valid to date. This honor signifies the Company's outstanding performance in product quality stability, passing rate from supervision and random inspection, and capabilities in independent design. Appotronics has achieved industry-leading levels in quality management, smart manufacturing, and environmental substance control.



The Company actively applies advanced quality management theories and digital technologies to promote quality innovation, and serves as an executive member of the Chief Quality Officer Professional Committee of the Guangdong Quality Inspection Association, contributing to the high-quality growth of the industry.





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## 02. Responsible Marketing

Upholding the customer-centric concept, Appotronics is committed to eliminating information barriers and establishing transparent and efficient communication channels. Through diverse initiatives, the Company provides responsible marketing support to facilitate the smooth operation and growth of our customers’ businesses.

In 2024, the Company organized a series of client engagement activities, including product training sessions, new product showcases, key partner summits, and participation in exchange meetings, to deliver detailed and accurate professional product information to customers, thereby empowering customers with reliable and timely technical support. Through these initiatives, Appotronics has satisfied customers’ needs in all aspects and established deep trust and close cooperation with customers to create a better future cooperatively.

### Case Study 1: The Appotronics’ automotive division received high recognition from customers

In 2024, Appotronics’ automotive division achieved breakthrough progress. In the process of business development, the automotive division actively engaged in industry exchanges and participated in various events to broaden customer communication channels for advertising the Company’ s strengths in automotive optical technology and product reliability. According to statistics, the automotive division participated in more than 13 exhibitions and industry seminars throughout the year, including CES and the Beijing International Automotive Exhibition and joined many industry associations such as the SparkLink Alliance, the China Association of Plant Engineering – New Energy Vehicle Promotion Center, and the Shenzhen Automotive Electronics Industry Association. With these efforts, the automotive division contributed innovative ideas for automotive product development, establishing closer collaboration with OEMs and industry peers.

Thanks to outstanding product quality, close cooperation with Geely’ s smart brand, and exceptional service, Appotronics stood out from numerous suppliers and received the 2024–2025 “Excellent Supplier” Award from Changxing Geely Auto Parts Co., Ltd.

### Case Study 1: The Appotronics’ automotive division received high recognition from customers



Appotronics was honored as the “Excellent Supplier” by Geely Auto





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Case Two: Appotronics’ dedicated display division innovated customer engagement

In 2024, the Company’ s dedicated display division conducted 82 customer events throughout the year, including 12 core channel empowerment training sessions, to provide professional guidance to customers, including agents and integrators. For instance, during the launch of our flagship products S Pro series, the dedicated display division hosted nine promotional events in major cities such as Beijing, Qingdao, Tianjin, and Shanghai. By offering product comparison demonstrations, we could directly showcase the products’ superior display performance, which received widespread acclaim from attending customers. Each session featured detailed new product introductions that were delivered by the product department staff, through which customers can gain a deeper understanding of Appotronics’ technological and competitive advantages.

In addition, the dedicated display division also innovated its approach to client outreach. In Zhanjiang City and Maoming City, it organized study-tour-style visits to local tourist attraction operators, bringing together investors, designers, directors, and key decision-makers. This approach created valuable opportunities for face-to-face interaction with potential clients and industry experts, effectively laying the groundwork for future partnerships.



2024 Core Partner Summit held by Appotronics’ Dedicated Display Division

Case Two: Appotronics’ dedicated display division innovated customer engagement



2024 S Pro Flagship New Product Appreciation Salon held by Appotronics’ Dedicated Display Division





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Case 3: Appotronics' core household devices division went global actively

With the expansion of its overseas businesses, the core household components division, by virtue of opportunities at overseas exhibitions, engaged in face-to-face communication with local customers to strengthen mutual understanding and cooperation.

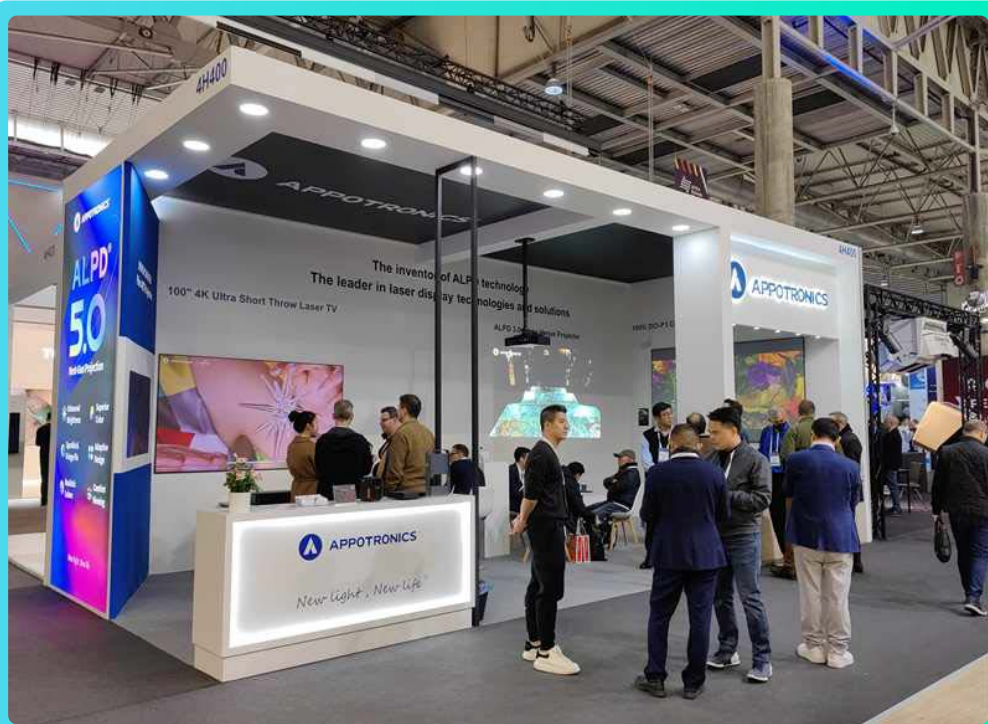
In January 2024, the division attended the Consumer Electronics Show (CES) in the United States and the Integrated Systems Europe (ISE) in Spain. At the CES, the division accepted media interviews to highlight its technological advantages and reaffirm its commitment to working with global industry leaders. At ISE, the division showcased its latest technologies and products, significantly enhancing the brand's visibility in the European professional audiovisual integration sector and boosting customers' confidence. In September, the division participated in IFA Berlin (Internationale Funkausstellung Berlin) once again, followed by on-site visits to overseas customers to discuss cooperation details and strengthen strategic alignment.

Additionally, the division offered tailored training programs based on different customers' characteristics. These training programs focused on explaining technical principles and advantages, providing customers with comprehensive support to better understand and apply Appotronics' technologies and solutions.



Appotronics' core household devices division communicated with overseas media at CES

Case 3: Appotronics' core household devices division went global actively



Appotronics participated in the ISE in Barcelona





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Customer Service

Appotronics upholds the principle of “creating value through service and shaping the future through expertise” , and remains committed to its customer-first philosophy of “attentive service with genuine care” . Since 2019, the Company has been awarded the “Five-Star After-Sales Service Certification” under the Evaluation System for After-sales Service of Commodity (G-B/T27922-2011) due to the robust after-sales service system. In 2024, we retained this honor successfully, which underscored our excellence in service quality and professional capability.

To better meet customer needs, Appotronics has established a comprehensive after-sales service network across major e-commerce platforms, enabling seamless integration of online and offline services and unifying pre-sales and after-sales support. At the same time, we continue to enhance service informatization, expert-driven support, and localization efforts to improve service efficiency and customer satisfaction. Looking ahead, Appotronics will remain true to our service principle, continuously optimizing service processes to deliver even more efficient and high-quality experiences for every customer.

Case 1: Formovie’s responsibility marketing

Formovie maintains high-quality requirements for products, implementing strict compliance management, quality control, and supervision in every aspect, covering R&D design, material supply, production manufacturing, sales, logistics distribution, and after-sales service, so as to ensure product stability and reliability. Formovie has passed the annual review by SGS and obtained the annual update of the ISO9001 quality management system certificate.

In October 2024, in recognition of its comprehensive product quality management, Formovie was honored with “the Second Prize for Quality Month” and “the Outstanding Planning Award for Quality Month” at Xiaomi’s Ecosystem Quality Exchange Conference.

Case 2: CINEAPPO’s high-quality services for distributors and customers

In 2024, CINEAPPO hosted four national roadshows, aiming to serve customers successfully, where it showcased to industry customers the ALPD® laser projection technology, VLED cinema screens, and other products and technologies for sharing and popularization. These events aimed to invite more cinema customers to understand the ad-

Case 2: CINEAPPO’s high-quality services for distributors and customers

vanced projection technology and support the development of China’s film industry while enhancing the movie-going experience for audiences.

In terms of customer service, CINEAPPO provided high-efficiency service to customers through its 400 and online hotlines. The 400 hotline received over 17,000 calls, and the online customer service team served more than 7,500 customers, handling over 40,000 messages and processing more than 44,000 recharge orders. By prioritizing efficient assistance to customers in resolving issues through phone and online customer service, we were able to prevent unnecessary costs associated with large venue technician repairs.

03.Information Security

Appotronics attaches great importance to the construction of information security systems and monitoring implementation. We have formulated a complete information security system, regulations, operation guidelines, and related control measures to ensure that our information security practices have regulations to follow and we can safeguard the confidentiality, integrity, and availability of the Company’s information. The system and planning cover the strategy and control principles of information security and operation guidelines and control standards for the entire life cycle of information processing. It includes all information security measures related to employees’ work, providing specific and clear guidance and standards for employees to ensure that their behavior complies with the Company’s requirements.

The Company has also carried out various technological explorations and practices in the daily execution and monitoring process, such as multi-factor authentication, bastion host, centralized log auditing and monitoring, etc. These measures effectively protect the Company’s confidential information, with data integrity maintained, so as to prevent internal and external threats from causing harm to the Company. As a result, the reliability, sustainability, and reputation of the Company’s operations have been enhanced.

Appotronics continuously strengthens the network security construction through measures such as network isolation, internal and external firewalls, transmission encryption, and access authorization, ensuring information security and stable network operation. The Company provides internal centralized file storage and backup services for various core departments such as finance, R&D, sales, etc., in order to avoid the risk of loss of information assets due to hacker attacks or loss of employee laptops. Moreover, the Company has installed client and server antivirus and encrypted security audit software to enhance data security measures for personal computers and servers.



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## Customer Information Security

Appotronics recognizes that information security is fundamental to customer trust and essential for long-term business success. Upholding the spirit of professionalism, Appotronics is dedicated to providing customers with secure and reliable products and services.

In 2024, Appotronics once again passed the ISO/IEC 27001 information security management system certification. Our robust security practices have earned great trust and recognition from our customers, particularly in the automotive optics sector. During the R&D process, the Company has always adhered to the bottom line of information security and international security standards, ensuring that each stage of the process is safe and reliable. Moreover, the Company also tailors information security solutions to customer requirements, creating a solid line of defense to protect client interests.

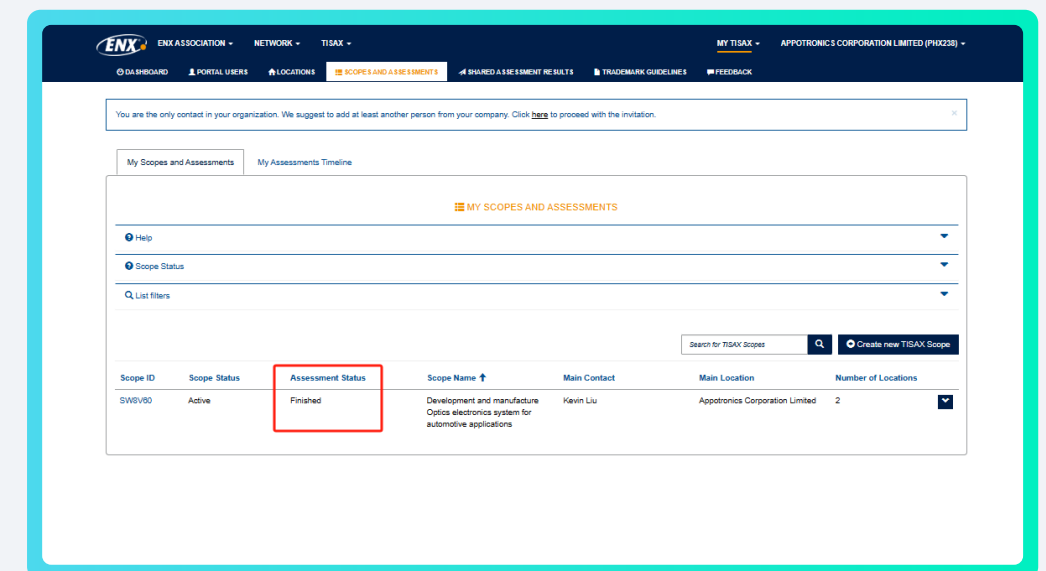


ISO27001 Information Security Management System Certification

## Case 2: TISAX Certification Project for Appotronics Automotive Business

To further enhance the construction of information security processes and improve employees' information security behavior, and ensure that sensitive information of the Company and customers is not leaked, Appotronics initiated the TISAX AL3 certification project in November 2023. This certification is valid for three years. TISAX certification is a recognized standard that complies with the requirements of the European Automobile Manufacturers Association (ACEA) and the German Association of the Automotive Industry (VDA). Through TISAX certification, we can ensure that the Company has met industry standards and satisfied compliance requirements in terms of its information security management system, thereby enhancing the trust relationship between the Company and its partners, customers, and suppliers to maintain the Company's competitive advantage.

In 2024, Appotronics successfully passed the annual ISO/IEC 27001 surveillance audit, ensuring the continued effectiveness of our information security management system (ISMS) and ongoing compliance with the ISO 27001 international standards.







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## 04. Responsible Supply Chain

Appotronics places strong emphasis on building a responsible supply chain system, firmly committed to encouraging its suppliers to comply with ethical norms and applicable laws and regulations, and to fulfill their responsibilities in environmental protection, occupational health, and safety. The Company values collaboration with suppliers and aims to achieve a mutually beneficial and trustworthy cooperation by delivering high-quality, highly reliable, and sustainable products.

In 2024, Appotronics established a stable and efficient automotive supply chain through deep collaboration with and high-quality deliveries to leading domestic new energy vehicle manufacturers, such as Seres and Geely. The Company’s automotive supply chain capabilities have successfully passed stringent audits conducted by both domestic and international automobile manufacturers, which represents that we have met the global standards, and the number of designated cooperation relationships continues to grow, which has laid a solid foundation for further market expansion.

### Supplier Management

Appotronics attaches great importance to partnerships with suppliers and strategic collaborators. Upholding the principles of integrity and responsible procurement, we sign the Partner Integrity Agreement with suppliers to control the procurement process from the source and prioritize environmentally friendly raw materials. At the same time, Appotronics actively invests in core areas and key segments of the industry chain, integrating them into the operational system. Moreover, the Company continuously strengthens the management of suppliers’ corporate responsibility and standardizes procurement transactions to enhance the sustainable competitiveness of the supply chain. We work together with suppliers for common development and joint establishment of a responsible value chain.

With the growing maturity of the automotive optics business in 2024, Appotronics established a comprehensive management system aligned with automotive-grade standards. We introduced an advanced supplier management system and deployed professional teams responsible for each automotive module to implement rigorous oversight of suppliers within the automotive optics product line. Owing to outstanding supply chain management capabilities, Appotronics gained high recognition from numerous automotive clients at home and abroad, successfully initiating mass production and delivery.

### Case: Regular communication with core suppliers

Appotronics is committed to building a resilient and collaborative supply chain. In 2024, the Company conducted regular business and technical exchange sessions with its core partners to jointly explore industry trends and share insights on components and products. This mechanism has helped us foster close, long-term relationships with key suppliers, ensuring the continuous and stable supply of critical components and laying a solid foundation for the Company’s sustainable growth.

### Green Supply Chain

Appotronics actively promotes continuous improvement among its suppliers in key areas of social and environmental responsibility, including energy efficiency, carbon emissions reduction, waste minimization, sustainable sourcing, and employee rights protection. The Company is also committed to enhancing supply chain transparency. The Company collaborates with suppliers to develop, implement, and supervise improvement plans to ensure the effectiveness of measures.

To standardize environmental management among suppliers, Appotronics has established the Control Regulations for Environmental Requirements of Suppliers and require suppliers to sign the Supplier Social Responsibility Commitment and the Warranty for Restricted Use and Control of Environmental Pollutants, in order to protect the rights and interests of customers and consumers while amplifying the impact of environmental policies. At the same time, Appotronics has issued the Supplier Code of Conduct on Social Responsibility, holding non-compliant suppliers accountable and requiring them to take rectification measures.

In addition, the Company has established a mechanism for evaluating qualified suppliers, which evaluates supplier performance comprehensively and categorizes suppliers into excellent suppliers, qualified suppliers, and suppliers to be improved. Suppliers that present a low environmental risk rating or receive an environmental performance score below 65% will be deemed unqualified even if their total score exceeds 60%. This approach ensures that environmental and social responsibility standards are embedded at the source of the supply chain.



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The Supplier Code of Conduct on Social Responsibility of Appotronics

## 05. Conflict Minerals

Appotronics is firmly committed to responsible mineral sourcing practices. The Company signs the Commitment Letter for Not Using Conflict Minerals with suppliers and strictly adheres to the Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas of the Organization for Economic Cooperation and Development (OECD). The Company ensures that all the raw materials used in the Company’s products and across its supply chain are free from minerals sourced from conflict-affected regions.

The Company explicitly declares its compliance with international regulations and relevant industry standards, and resolutely rejects the use of conflict minerals. At the same time, the Company also mandates that all suppliers conduct due diligence on the origin and traceability of minerals contained in their products, especially gold (Au), tantalum (Ta), tin (Sn), tungsten (W), cobalt (Co), and mica, to reasonably ensure that these minerals are sourced in alignment with the OECD Due Diligence Guidance or other widely recognized frameworks.



Commitment Letter for Not Using Conflict Minerals for Suppliers





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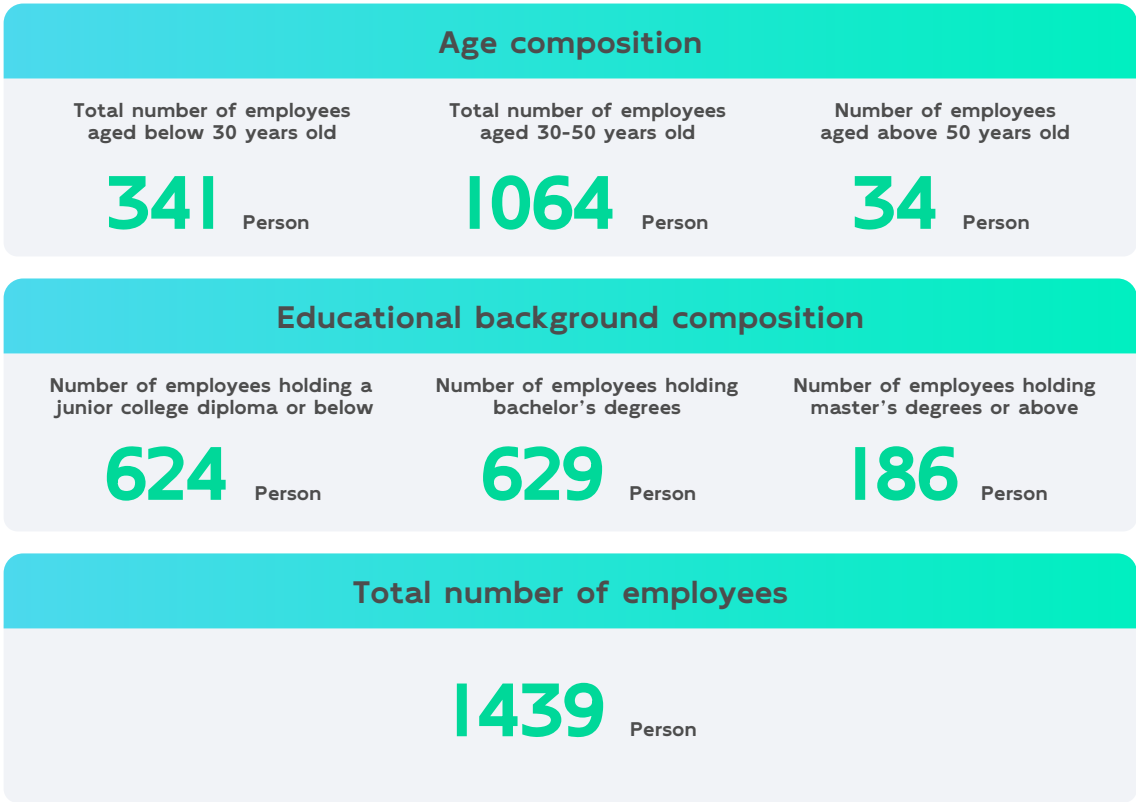
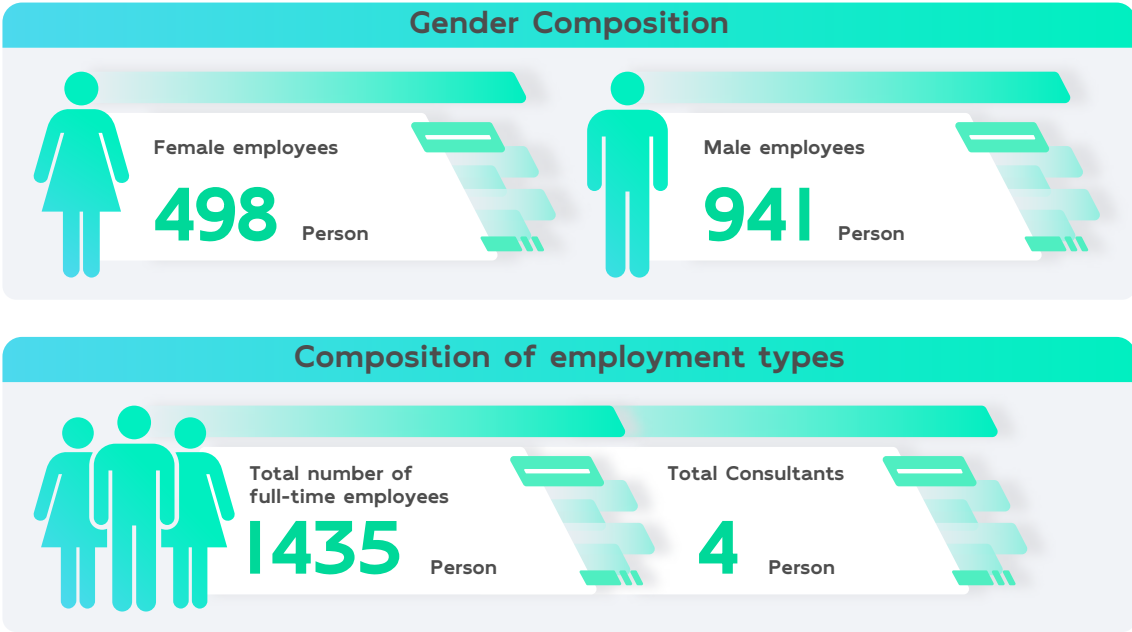
# Care for Employees to Build the Future Together

## 01.Employee Rights and Interests

Upholding the “people-oriented” philosophy, Appotronics is committed to comprehensively safeguarding employees’ rights and interests. The Company has established a robust human resources management framework, offering employees competitive compensation and benefits, high-quality training opportunities, and a human-centric working environment, aiming to improve employees’ overall quality of life and work experience. At the same time, the Company continues to strengthen its internal communication mechanisms to foster a fair, open, and equitable workplace culture.

As of December 31, 2024, Appotronics has 1,439 employees, including 498 female employees, accounting for 34.61% of the total; and the proportion of ethnic minority employees accounts for approximately 9.8%. These data reflected the Company’s emphasis on and inclusiveness of diverse talents.

### Employee composition in 2024



At the same time, Appotronics established its trade union in 2017, electing worker representatives and establishing a Workers’ Congress. Important policies involving employee benefits, labor rights, and personal safety should be decided democratically through the employee representative assembly. The employee representative assembly not only protects employees’ rights and interests but also serves as a vital communication bridge between the Company and employees. It collects feedback from customers and supports continuous improvement in employees’ work and life by contributing to offering more competitive remuneration, high-quality training, and a humanized working environment.



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## Equal Employment

Appotronics actively attracts talent through diversified recruitment channels and values individuals' unique experiences and backgrounds to foster a vibrant team. The Company strictly complies with the Labor Law of the People's Republic of China and all applicable domestic and overseas labor regulations. We have integrated the concept of equality and non-discrimination into different HR stages, including employee recruitment, onboarding, promotion, and departure, and firmly oppose any form of employment discrimination, which has led to a more scientific and reasonable employment mechanism. All employees are offered equal and inclusive development and promotion opportunities regardless of gender, nationality, age, ethnicity, religious beliefs, disability status, sexual orientation, or family background. The use of child labor or forced labor is also explicitly prohibited. During the reporting period, the Company achieved a 100% signing rate of employment contracts.

In human resources management, the Company is subject to the principles of fairness and impartiality, talent-position matching, and avoidance. We insist on open recruitment, equal competition, and selection of the best candidates, avoiding discrimination against gender, ethnicity, region, or religious beliefs. We select and allocate appropriate employees based on job qualifications. At the same time, we prohibit direct relatives from working in the same line of business to ensure the fairness and transparency of work processes. During the reporting period, Appotronics received multiple honors, including "China Best Employer Award 2024 – China Best Employer in Shenzhen" issued by Zhaopin and "The Award of Top 20 Youth Friendly Employers in 2024" issued by Ciwei.



Appotronics was honored as the "China Best Employer Award 2024 – China Best Employer in Shenzhen" issued by Zhaopin.



Appotronics was honored as the "The Award of Top 20 Youth Friendly Employers in 2024" issued by Ciwei.





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## Case 1: Strengthening international talent exchange and collaboration

As a representative of innovative enterprises in Nanshan District, Shenzhen, Appotronics actively participated in the “2024 Overseas Students Explore Nanshan” program. In this program, we welcomed students from globally renowned universities, including the University of Oxford, Cornell University, and New York University, to Appotronics for a three-day corporate visit and study tour. The Company assigned senior product managers and R&D backbones to mentor the students through innovation-themed practices based on Appotronics’ core technologies, encouraging them to define products and demonstrating products’ application scenarios and market values for them. This study tour deepened their understanding of Appotronics’ innovative capabilities and sparked valuable ideas through collaborative dialogue.



Project members engaged in the two-day study tour activities



The study achievements of the project members won the “Product Innovation Award”

## Case 1: Strengthening international talent exchange and collaboration

In July 2024, Appotronics participated in a dedicated job fair under the same program. The Company’s booth attracted significant interest from overseas students. Through in-depth conversations about job opportunities, company operations, technological development, and career paths, students gained a strong impression of Appotronics’ eagerness to attract excellent talent. From October to December, Appotronics also organized overseas campus recruitment events and held online recruitment talks at universities in the United Kingdom, the United States, and the Asia-Pacific region, which have attracted a large number of outstanding talents for our cutting-edge technology research and development and international business expansion.







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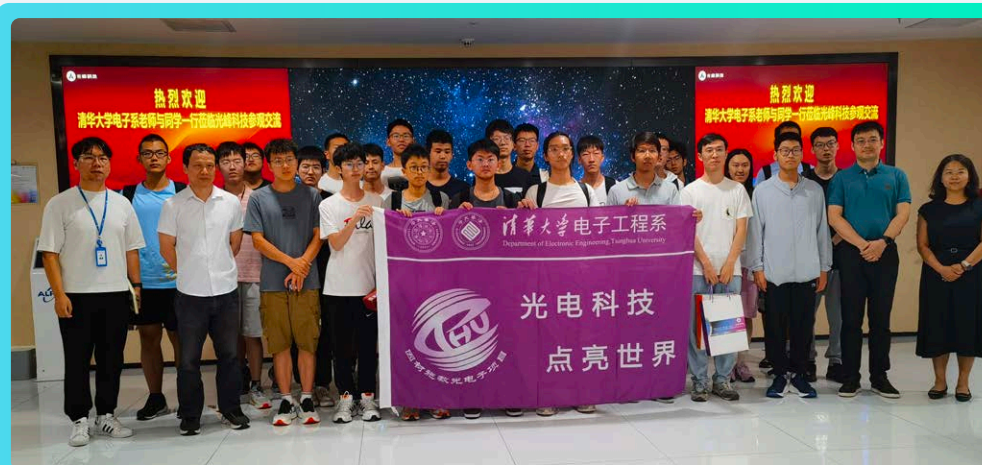
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## Case 2: Strengthening industry-university collaboration for scientific research and talent cultivation.

In July 2024, members of the Tailored Education and Elite Cultivation Program from the Department of Electronic Engineering at Tsinghua University visited Appotronics under the leadership of the deputy director of the department. The Tailored Education and Elite Cultivation Program aimed at nurturing top innovative talents for national strategic needs and advancing cutting-edge technology development by inspiring students' professional aspirations, broadening their horizons, and fostering their research capabilities and innovative thinking. Appotronics R&D managers engaged in in-depth discussions with faculty and students, providing a "second classroom" that showcased innovative R&D achievements and engineering practices, thereby developing students' comprehensive competencies and innovative abilities.



The group photo of students and faculty from Tsinghua University's Department of Electronic Engineering with Appotronics' hosting staff during their visit



The deputy director of the Department of Electronic Engineering and the head of the Tailored Education and Elite Cultivation Program presented commemorative gifts

## Case 2: Strengthening industry-university collaboration for scientific research and talent cultivation.

In the same year, Appotronics established an internship base in collaboration with the Southern University of Science and Technology. The Southern University of Science and Technology, whose disciplines, such as materials science, engineering, and computer science, are ranked among the top 1% of ESI globally, is a national "Double First-Class" university and a pilot university for comprehensive higher education reform. In 2024, it became a vital partner of Appotronics in talent recruitment and academic collaboration.

As of now, Appotronics has established internship bases with several well-known domestic universities, such as Tsinghua University, Harbin Institute of Technology (Shenzhen), Shenzhen University, and Harbin Normal University. These partnerships support talent cultivation through collaborative research projects, enterprise visits, and internships. Through such cooperation, Appotronics helps university graduates explore cutting-edge technologies and innovative applications and quickly adapt to the real work surroundings of industrial sector from academic research environment.



In 2024, Appotronics collaborated with the Southern University of Science and Technology to provide internship practices for students.



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## Safeguarding Employee Benefits

Appotronics actively improves its compensation and benefits system, establishing a compensation system that is “internally fair and externally competitive” . Under the distribution principle that “distribution according to work is dominant, giving priority to efficiency with due consideration to fairness and sustainable development” , we provide employees with reasonable and competitive compensation.

The Company has established a performance-oriented incentive system and implemented a closed-loop mechanism of “goal setting – process coaching – multi-dimensional evaluation – development application” . Through the effective implementation of the performance management system, employee performance evaluations are conducted twice a year to help employees continuously improve their work capabilities and performance. We also implement a performance-oriented bonus distribution system to incentivize teams and individuals with excellent performance. For core employees who demonstrate outstanding performance and potential for development, the Company also provides more career development opportunities through measures such as promotions, skills training, and position duty expansion. In addition, the Company has established an honor recognition incentive to commend outstanding teams and individuals who have made significant contributions.



Recognition of 2024 outstanding teams

In addition to the payment of the statutory “five social insurances and one housing provident fund” for employees, the Company also purchases commercial insurance, including accident insurance, disease death insurance, and critical illness insurance for all employees to further safeguard their benefits. Furthermore, the Company has issued the Regulations on Care for Employees and Benefits Management and the Employee Handbook, stipulating various paid leave systems and employee welfare programs. We emphasize balancing employees’ work and life to enhance their work enthusiasm.

### Employee Benefits



The Company renewed the commercial insurance for all employees



2024 health checkup for employees





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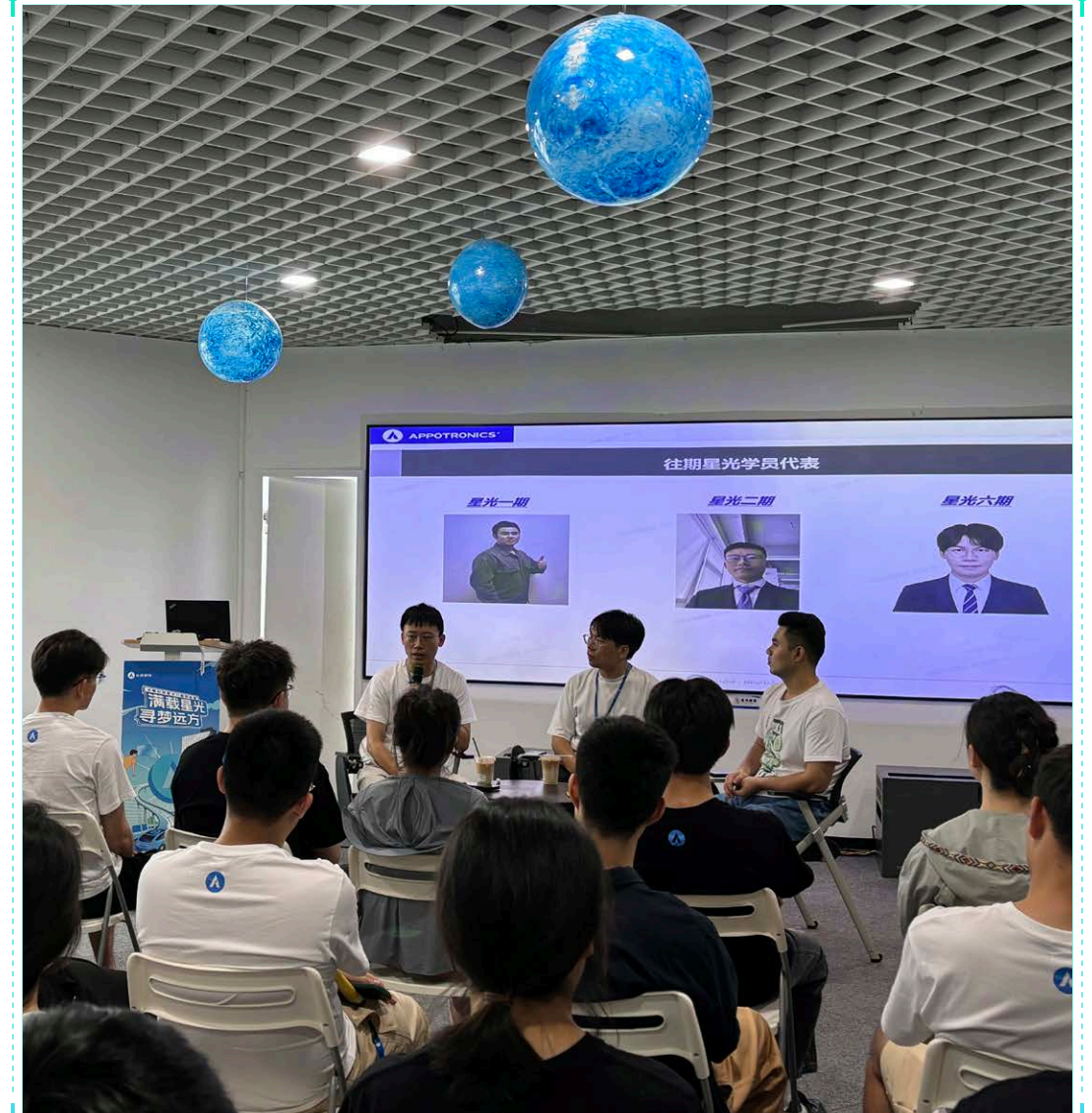
## Equal Communication and Exchange

Appotronics places great emphasis on employee communication and feedback, improving the communication mechanism through various channels. The Company encourages employees to offer suggestions related to company operations and business optimization through both formal and informal channels, including annual all-staff communication meetings, communication meetings for new graduates, and performance coaching and evaluation discussions, in order to help improve performance and optimize efficiency.

The Company's annual meeting, as an important annual event, offers employees the opportunity to communicate face-to-face, share each other's experiences and ideas, and enhance mutual understanding and trust. At the same time, the Company can also take this opportunity to convey the Company's strategic planning and future development direction to employees, enhancing employees' sense of belonging and mission. Furthermore, through regular performance coaching and communication with each employee at least once per quarter, employees can better align with their positions, department, and company goals, continuously improving and enhancing themselves.



2024 Annual Meeting on the theme of "Starting a New Journey, Creating a New Future"



Communication meetings for new graduates



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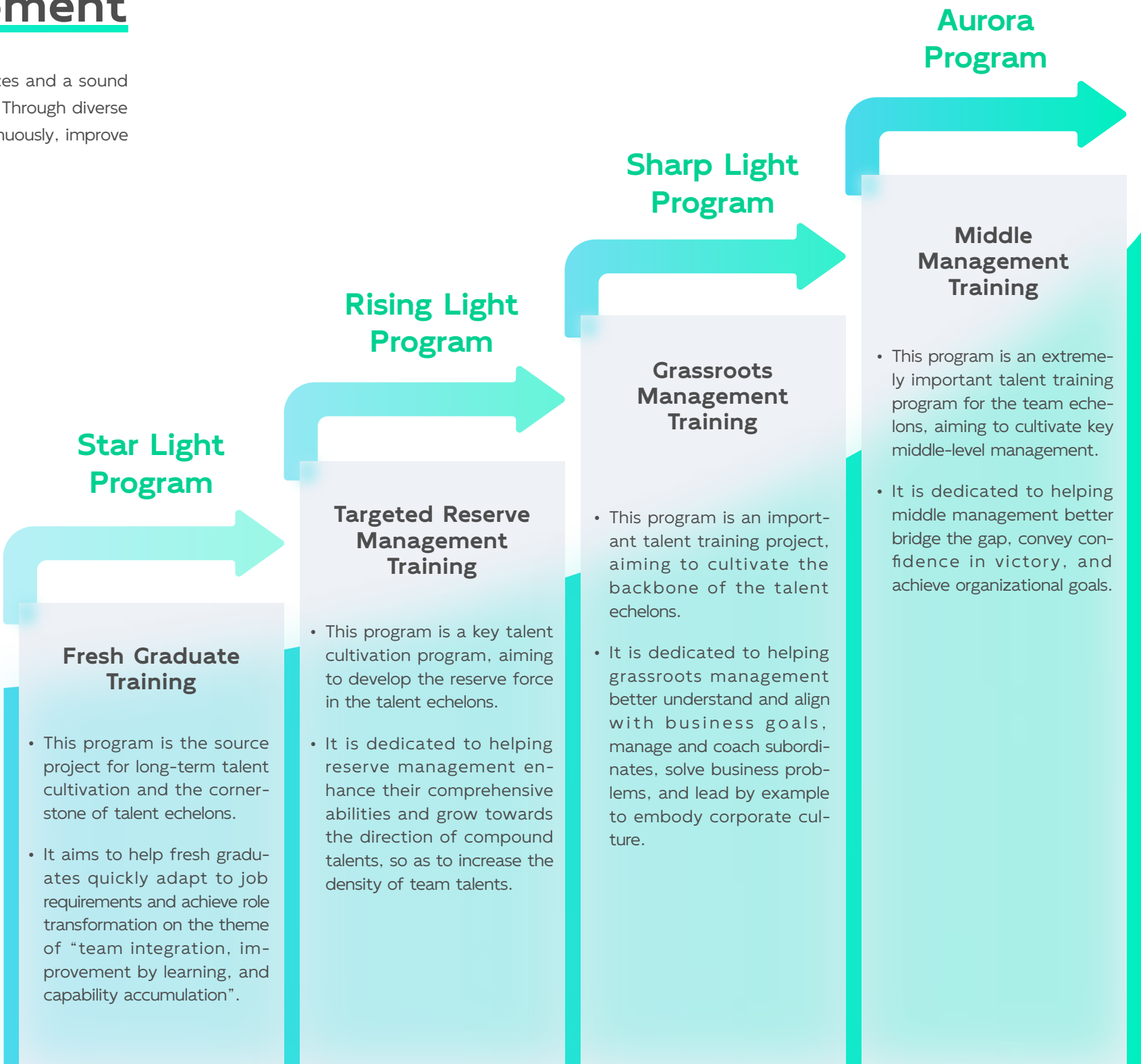
## 02.Employee Development

Appotronics provides abundant and diversified learning resources and a sound training system to help employees continuously learn and grow. Through diverse empowerment tools, employees can be motivated to learn continuously, improve work efficiency, and realise their self-worth to the maximum.

### Growth Pathway

With a focus on employees' personal growth and career development, Appotronics has established a dual-channel career development sequence, including management development channels and professional development channels, to provide employees with a clear promotion path. The Company offers detailed career development guidance to employees to help them understand their development direction and goals. At the same time, through the position and grade system, the Company outlines specific qualification standards, including tenure, performance, skills, and other dimensions, helping employees achieve self-development to grow with the Company.

The Company has built a series of talent training systems for Aurora, Sharp Light, Rising Light, and Star Light, and created all-around training plans tailored for fresh graduates, reserve cadres, technical backbones, grassroots managers, and middle and senior managers. By the end of 2024, we will have offered the Star Light program in eight phases, the Rising Light program in two phases, the Sharp Light program in three phases (including the R&D management special training camp), and the Aurora program in one phase. These programs have not only achieved good results in talent development and talent pipeline construction, but also provided clear guidance for talent growth in the management channel.







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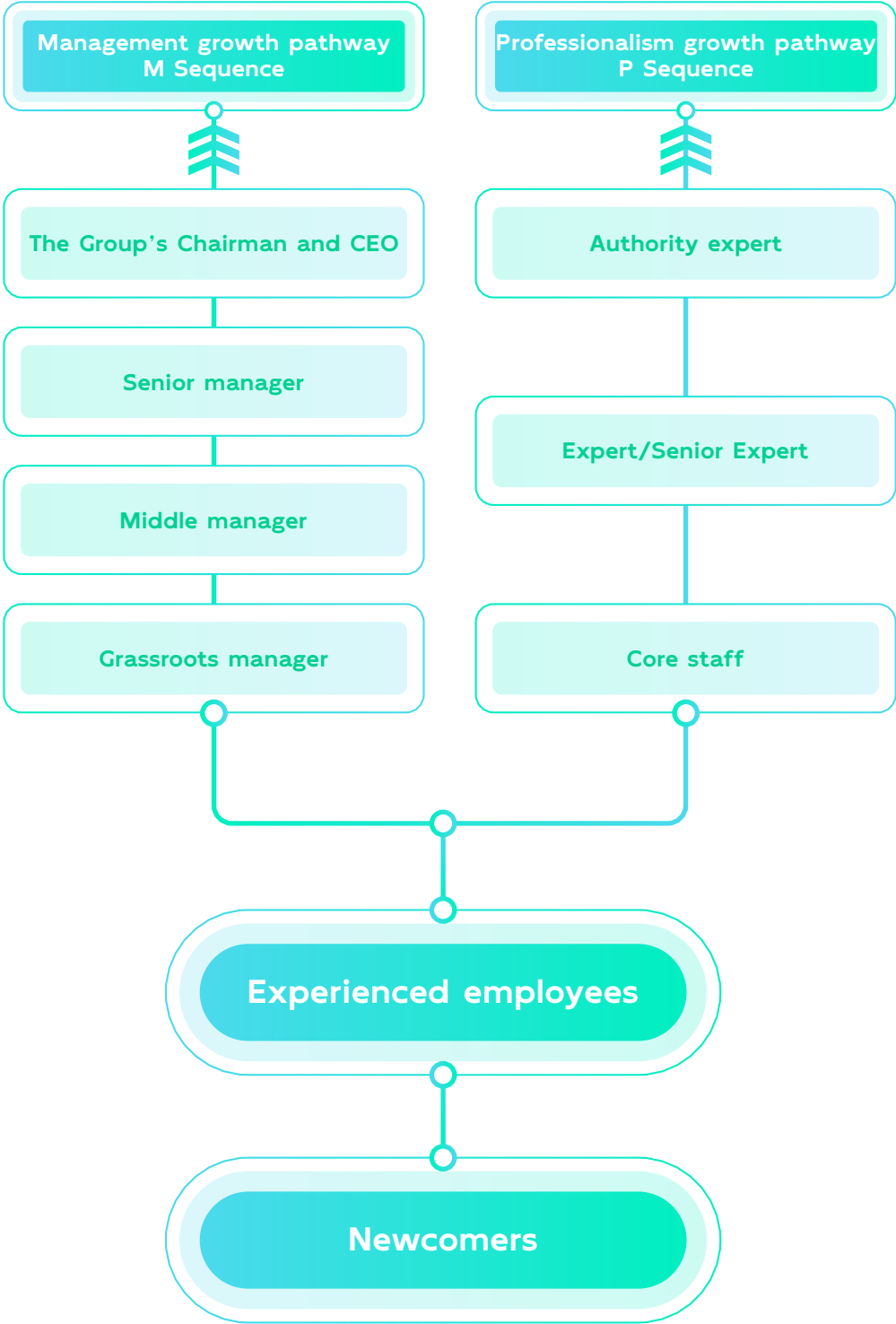
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◆ Employee Dual-Channel Development Sequence



📖 Employee Training

Appotronics builds a distinctive training system architecture aimed at supporting organizational development, individual advancement, and enhancing organizational capabilities. It focuses on promoting organizational performance improvement and achieving business results by designing training programs and developing learning content with a problem-solving approach. Through the three-level training system (company level, department level, position level), the Company promotes the construction of a learning organization and creates a positive training-sharing atmosphere to establish a system for employees' continuous improvement of capabilities. The training operation system, through a closed-loop operation of four main links, ensures that the quality and effectiveness of learning products have been unanimously recognized, with all training feedback scoring over 9.2 points (out of 10 points).



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In terms of course system development

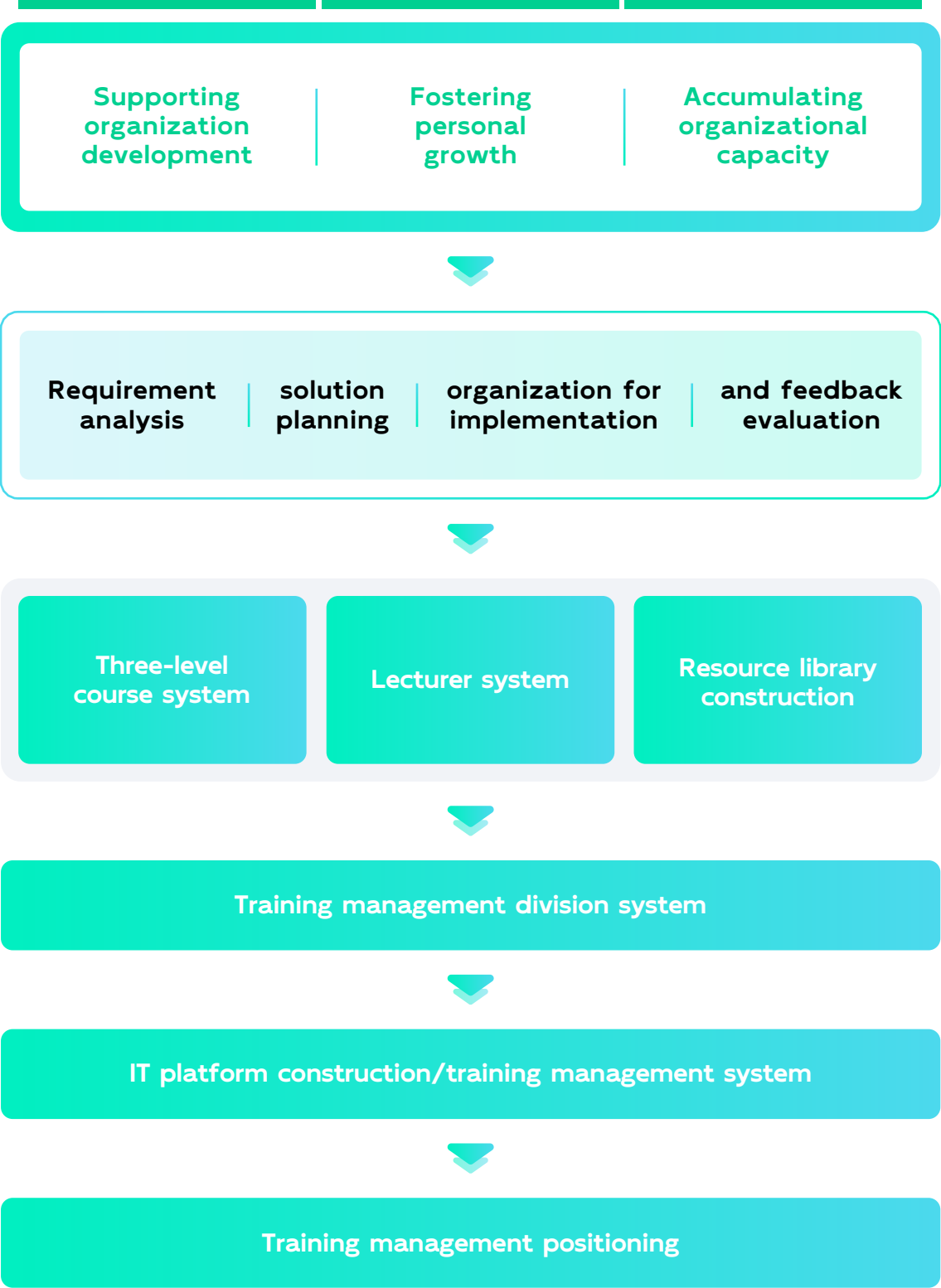
The Company continuously optimizes core training programs, including core courses on middle-level leadership, essential courses on grassroots management, and professional courses on skills training. In addition, we also constantly develop and improve course systems such as the Rising Light course system, Star Light course system, general competency course system of Meta Ability Classroom, and position-specific course systems based on job learning paths.

Regarding the lecturer system development

As of 2024, the Company employed 660 teaching lecturers, with a well-operating three-level course system at the Company/center/department levels. Over the past three years, more than 80 certified lecturers have become certified lecturers of the Company. The Company's internal/external teaching resources library is under continuous maintenance and update. The management system is continuously upgrading, with the well-coordinated division of labor among training, HRBP, and department learning committees. The training system, as basically complete, can meet the current learning and development needs.

In 2024, the total training duration for employees was approximately 16,824 hours, with an average training duration of about 22.21 hours per person (for employees of the parent company only). In addition, to help new employees integrate into the Company more quickly and adapt to their job positions, the Company organizes monthly new employee training camps, which cover over 160 people cumulatively throughout the year.

The Company's Training System Architecture







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### Case: 2024 Special Program for Automotive Capability Enhancement of Appotronics

In 2024, the Company launched the special training program of “2024 Automotive Capability Enhancement” to equip employees with the professional skills required by new industries and new businesses. Through this training program, employees could broaden their systematized knowledge of quality management systems in the automotive industry and enhance their capabilities of introducing and mastering the key audit points of standard requirements. The program also focused on improving employees’ ability to identify, analyze, and solve problems in the case of unstable quality of new products, as well as the ability to identify and avoid risks in the early stage, so as to effectively support the rapid development of the Company’s new business.



2024 Special Program for Automotive Capability Enhancement of Appotronics

### Case 2: CINEAPPO helped employees enhance business skills and awareness of rights and interests

With continuous advancements in technology, many new applications emerged in 2024 for the film industry, such as LED cinema screens. To enable all employees to better understand cutting-edge technology, the Company organized a training session titled “LED Development and Product Training”. In addition, the Company regularly holds the training of the annual final settlement titled “Annual Individual Income Tax” for employees to maximize their rights and interests.

## 03.Care for Employees

Appotronics strives to enhance employees’ sense of belonging, stimulate their enthusiasm for work, and unleash their creativity. In 2024, the Company organized a series of team-building events, including “International Women’s Day Celebrations”, “Dragon Boat Festival Food Fair”, and “Employee Birthday Party”. These activities provided opportunities for employees to connect, share, and build mutual trust beyond daily work. At the same time, the Company’s labor union establishes various interest clubs, such as yoga, basketball, badminton, book reading, and outdoor activities, and organizes regular events such as book sharing sessions and hiking trips to help employees relax physically and mentally while enhancing team collaboration and work efficiency.

The Company also cares for employees in difficulty and has formulated the Trade Union Love Assistance Fund Management Measures. If an employee is hospitalized due to illness, or encounters sudden accidents, natural disasters, or man-made disasters that cause difficulties for the employee’s family, the Company’s trade union will provide the employee with a contingency fund at its discretion. Since the implementation of this initiative, the Company has helped nearly 10 employees and their families.



International Women’s Day Celebrations





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Dragon Boat Festival Food Fair



Badminton Club - Regular badminton activities



Employee Birthday Party



Reading Club - Book Sharing Session





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Outdoor Club - Luofu Mountain Hiking Activity

## Case: CINEAPPO enriched employee's life

In April 2024, the 14th Beijing International Film Festival Filmmakers' Fun Run was held at the Beijing Workers' Stadium. The Company's subsidiary CINEAPPO participated in the event again. During the competition, CINEAPPO employees demonstrated remarkable cohesion and collaboration, fearlessly overcoming challenges with unwavering determination. Their participation resulted in notable achievements. Through involvement in this event, CINEAPPO employees not only showcased their healthy and positive attitude but also embodied their continuous pursuit of excellence. Furthermore, throughout 2024, CINEAPPO also provided employees with regular fitness opportunities, including weekly badminton sessions and twice-weekly yoga classes, greatly enriching employees' physical well-being.

## Case: CINEAPPO enriched employee's life



CINEAPPO employees participated in the 14th Beijing  
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## 04.Safety and Health

Appotronics always prioritizes work safety. We take the construction of a safety-oriented scientific and technological enterprise as the main line, actively shouldering the main responsibility of the enterprise. We continuously innovate safety management measures to ensure the effective implementation of legal work safety responsibilities, and conduct in-depth investigations to eliminate safety hazards and ensure safe operation through strengthened responsible inspections, so as to solidify the safety defense line to provide a solid foundation for the Company' s stable growth and development.

Indicators		Unit	2024
Work safety accidents	Particularly serious accidents	Incident	0
	Major accident	Incident	0
	Significant accident	Incident	0
	Minor accident	Incident	0
Work safety	Safety hazard elimination rate	%	100
	Number of safety emergency drills	Time	2
	Number of participants in safety emergency drills	Person	680

Indicators		Unit	2024
Enhanced safety protection	Number of special occupational disease examinations	Person	19
	Number of deaths from occupational diseases	Person	0
	Number of deaths from work-related injuries	Person	0
Safety culture construction	Safety training coverage	%	100
	Number of participants in safety training	Person	680





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Work Safety

Appotronics continuously enhances its safety management mechanisms and promotes the construction of a comprehensive work safety system. The Company has established the Safety Management Committee, with the Safety Management Office subordinated thereto. The R&D center and supply chain center are responsible for the specific implementation of safety initiatives, and they have signed the 2024 safety responsibility letter, achieving a 100% signing rate to reinforce the Company’s safety efforts. The Company has implemented a dual prevention mechanism and established various regulations, including the Three Simultaneous Management System, the Work Safety Responsibility Regulations, the Fire Safety Management Regulations, the Hazard Source Management Regulations, the Accident Investigation Report, the Female Employee Safety Protection Control Regulations, and the Labor Protection Articles Management Regulations.

At the same time, to prevent safety risks and enhance emergency response capabilities, the Company comprehensively investigates safety hazards and conducts regular safety inspections to eliminate accident hazards. In addition, we also conduct post-accident investigations and analyze response and prevention measures. Furthermore, we have developed emergency preliminary plans and simulated accident processes to test the feasibility of these plans, and have conducted emergency drills to evaluate the reliability of our emergency response capabilities. In 2024, the Company organized various internal safety inspections, through which we identified a total of 198 safety accident hazards and completed the rectification of 198 accident hazards, achieving a 100% rectification rate of safety accident hazards.

ISO45001 Occupational Health and Safety Management System Certification

The Company conducts monthly safety inspections, and by the end of December 2024, 198 hidden dangers were identified and all rectifications completed.

month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Identified safety accident hazards	27	26	36	14	20	21	18	7	7	9	6	7	198
Number of rectifications	27	26	36	14	20	21	18	7	7	9	6	7	198
Rectification rate		100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Occupational Health

Attaching great importance to the physical and mental health of employees, Appotronics has established a comprehensive employee health prevention system and formulated regulations such as the Regulations on Occupational Health Management and the Regulations on Identification and Control of Occupational Diseases to ensure the occupational health of employees. The Company organizes employees to participate in annual occupational health examinations regularly, with employee health records established, and has passed the ISO45001 Occupational Health and Safety Management System Certification.

In 2024, the Company experienced no suspected cases of occupational diseases or acute occupational disease incidents throughout the year. There are no significant occupational disease hazards in the existing office environment, and the overall risk of occupational diseases is effectively controlled.

The Company organized employees to take occupational health examinations

The Company won second place in the Occupational Injury Prevention Knowledge Competition for High-Risk Operations Personnel in Bao'an District





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## Safety and Health Culture

The construction of a safety culture helps to enhance employees' safety awareness and safety literacy. Appotronics popularizes safety knowledge and safe operating procedures to all employees through various forms of measures, such as safety training seminars, regular safety drills, and safety culture promotion month activities, in order to improve employees' safety awareness and emergency response capabilities. The Company's safety culture training covers all departments and positions. We develop tailored safety culture training plans according to different job contents and risk characteristics, such as the training of "Cardiopulmonary Resuscitation (CPR)", to ensure that employees fully grasp various safety operating procedures and maintain high vigilance and sense of responsibility at all times. In 2024, the Company conducted 12 monthly evaluations. Safety interface personnel in each department were able to organize evaluation data in accordance with the Appotronics Security Management Quantitative Evaluation Measures and implement them accordingly.



Safety Training



Personal Protective Equipment Training

The Company's Fuyong factory carries out a series of work safety month activities every year to promote a safe production culture. In the national "Work Safety Month" in June 2024, the Company launched a work safety training activity with the theme of "Everyone Considers Safety, Everyone Knows Emergency Response", which was closely related to the theme of Work Safety Month. The Company's Fuyong factory actively identifies potential hazards in the production operation process. It has formulated different emergency preliminary plans and conducted emergency drills, such as fire emergency drills, chemical leakage emergency drills, safety evacuation emergency drills, etc., to enhance employees' ability to deal with emergencies and popularize relevant safety knowledge during the emergency drills.



Fire Emergency Drill



Emergency Evacuation Drill for Safety





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# Science Popularization Together with Public Welfare



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# Science Popularization Together with Public Welfare

Enterprises should not only pursue commercial value but also convey values and warmth to society as vital contributors to social responsibility. In 2024, Appotronics remained committed to the philosophy of “Technology for Good” and made meaningful contributions in three key areas of science popularization education, social welfare, and biodiversity conservation by leveraging its advantages in technology, resources, and platforms, so as to inject new vitality into societal progress.

## 01.Science Popularization Education

In 2024, Appotronics actively promoted science popularization education by utilizing its exhibition hall as a public learning platform. We presented knowledge about semiconductor laser technology in an accessible and understandable manner to visitors from across the country, especially adolescents. These activities not only sparked public interest in semiconductor lasers but also laid a strong foundation for nurturing future innovators and planted seeds of curiosity about science and technology in the hearts and minds of visitors.

Besides becoming an off-campus practice education camp (base) for the Primary school students in Nanshan District, Shenzhen, the Company collaborated with numerous institutions and organizations to carry out multiple science-themed activities targeting adolescences and students of Guangdong-Hong Kong-Macao Greater Bay Area, which included the Nanshan District Science Popularization Alliance, Tsinghua University, Shenzhen Senior High School, Nanshan Foreign Language School, Hong Kong and Macao Youth Greater Bay Area Study Tours, Tibet Vocational Technical College, Huazhong University of Science and Technology, the “Nanshan Exploration Program” for International Students, and the Azure Coast Community in Nanshan District, etc.

In 2024, the Company’s exhibition hall was open to the public for free, receiving a total of 8,821 visitors in 341 batches, including 944 adolescent visitors in 39 batches.



Children’s Science Popularization Activities





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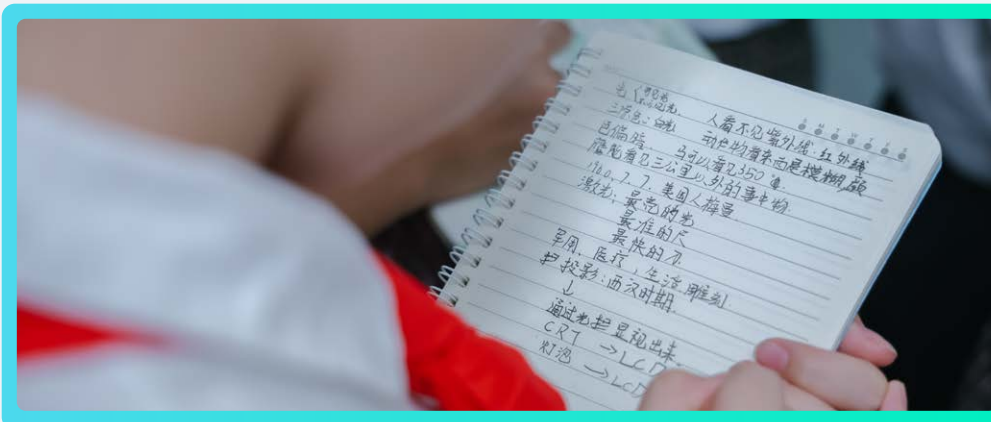
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Social Practice Activities for Universities

### Case 1: Primary school students met the technology dream

In May 2024, Appotronics received 30 primary school students from Shenzhen Nanshan Lixiang School. The Company delivered an interactive course titled “Laser Science Exploration”, in which Appotronics staff explained engaging concepts such as the nature of light, human vision, and the RGB color model. These students explored the invention and applications of semiconductor laser light sources and witnessed their transformative impact across home entertainment, education, and other sectors. With light and shadow changing into vivid images through the magic of technology, this hands-on learning experience inspired students’ enthusiasm for science and planted seeds of curiosity about future technologies.



### Case 2: International cooperation in science popularization education

In 2024, the Company received six groups of students from South Korea, comprising a total of 187 visitors. Through interactive presentations and immersive demonstrations, these students expanded their technological horizons and strengthened their passion for scientific exploration, thereby promoting international scientific and cultural exchange. This cooperation provided valuable experience for the Company’s international science popularization education efforts. Moving forward, the Company will deepen partnerships with overseas academic institutions to promote the globalization of semiconductor laser technology education.



The South Korean student delegation visited Appotronics





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## 02.Social Welfare and International Communication

Appotronics is committed to harmonious coexistence with society and actively fulfills its social responsibilities by engaging in diverse public welfare initiatives and promoting global collaboration for contributing to global common development.

In May 2024, Ms. Irina Bokova, former Director-General of UNESCO, visited Appotronics for a field study. She was accompanied by Dr. LI Yi, Founder, Chairman, and CEO of Appotronics. They exchanged views on the application prospects of semiconductor laser light source technology in the fields of education and culture. Ms. Bokova, who served as Director-General of UNESCO from 2009 to 2017, is UNESCO's first female Director-General and currently President of the Global Hope Coalition. She spoke highly of Appotronics' technologies and products and expressed admiration for the Company's contributions to cultural, educational, and artistic projects, evaluating them as impressive ones.



Ms. Irina Bokova, former Director-General of UNESCO, and her team visited Appotronics for a field study.

In August 2024, Appotronics donated projectors to the Portuguese Volunteer Confederation (CPV, Confederação Portuguesa do Voluntariado) to support its volunteer program operations. Established in 2010, CPV is an umbrella organization comprising 45 member associations, representing 1.2 million volunteers across Portugal. The donated projector was quickly put into use upon delivery, serving as an efficient and versatile tool in workshops and community events. Erico Virgy, the CPV's Executive Coordinator, commented that "The projectors are performing excellently and have already enhanced the quality of presentations and training sessions across multiple volunteer centers. They will become long-term assets for our organization."



CPV used the projector donated by Appotronics in an event.





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# 03.Biodiversity Actions

Biodiversity is crucial for ecosystem health, human living environments, and economic development. Protecting biodiversity is the responsibility and mission of everyone.

To raise employees' awareness of conservation, the Company initiated the environmental hiking campaign titled "Into the Wild: A Journey to Explore Biodiversity." Employees were encouraged to participate in "Leave No Trace" hikes, during which they photographed and documented species they encountered, exploring the beauty of nature and sharing their findings with colleagues via the Company' s internal platform. This event aimed to raise awareness about the importance of protecting biodiversity and inspire broader involvement in environmental protection. During the event, participants recorded over 90 distinct species, such as Kyllinga brevifolia rottb, Ficus fistulosa, and Blechnum orientale. These findings were compiled into an illustrated guide so that employees can learn about and appreciate local biodiversity in a more engaging and informative way.



The Company's Biodiversity Exploration Theme Hiking Event



羊角拗 (拍摄: 月琴)

羊角拗是一种夹竹桃科的灌木植物，它喜爱阳光充足和温暖的环境，同时也具备耐旱耐湿的特点。这种植物适合生长在肥沃的半砂质土壤中，在中国主要分布于贵州、云南、广西、广东和福建等省区，在越南、老挝等地也有分布。

来自公司质量中心的月琴分享道，“看起来像羊角，但遇到别靠近也别好奇，有剧毒。”

Biodiversity Illustrated Guide



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# Appendix

## GRI Standard Index Table

GRI Standards	Disclosure items	Chapter name
GRI102: General Disclosures		
I.Organizational Profile	I02-1 Organization name	About this Report
	I02-2 Activities, brands, products, and services	Approaching Appotronics
	I02-3 Location of headquarters	Appotronics Headquarters Tower, No. 8, Xiandong Road, Nanshan District, Shenzhen, Guangdong, China
	I02-4 Location of operations	Appotronics Headquarters Tower, No. 8, Xiandong Road, Nanshan District, Shenzhen, Guangdong, China
	I02-6 Markets served	Approaching Appotronics
	I02-7 Scale of the organization	Care for Employees to Build the Future Together
	I02-8 Information on employees and other workers	Care for Employees to Build the Future Together
	I02-9 Supply chain	New Quality Empowerment for World Connection
	I02-10 Significant changes to the organization and its supply chain	New Quality Empowerment for World Connection
	I02-11 Precautionary principle or approach	Precision Management for Sustainable Prosperity
	I02-12 External initiatives	About this Report
	I02-13 Membership of associations	New Quality Empowerment for World Connection
2.Strategy	I02-14 Statement from senior decision-makers	Message from the Chairman
	I02-15 Key impacts, risks, and opportunities	Precision Management for Sustainable Prosperity
3.Ethics and integrity	I02-16 Values, principles, standards, and norms of behavior	Precision Management for Sustainable Prosperity





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GRI Standards	Disclosure items	Chapter name
4.Governance	102-18 Governance structure	Strategic Leadership with Good Governance
	102-20 Executive-level responsibility for economic, environmental, and social topics	Strategic Leadership with Good Governance
	102-21 Consulting stakeholders on economic, environmental, and social topics	Strategic Leadership with Good Governance
	102-22 Composition of the highest governance body and its committees	Strategic Leadership with Good Governance
	102-33 Communication of major concerns	Strategic Leadership with Good Governance
	Nature and total number of major concerns	Strategic Leadership with Good Governance
5.Stakeholder engagement	102-40 List of stakeholder groups	Strategic Leadership with Good Governance
	102-42 Identifying and selecting stakeholders	Strategic Leadership with Good Governance
	102-43 Approach to stakeholder engagement	Strategic Leadership with Good Governance
	102-44 Key topics and concerns raised	Strategic Leadership with Good Governance
6.Reporting practices	102-45 Entities included in the consolidated financial statements	About this Report
	102-46 Defining report content and topic boundaries	About this Report
	102-47 List of material topics	Strategic Leadership with Good Governance
	102-48 Restatements of information	About this Report
	102-49 Report changes	About this Report
	102-50 Reporting period	About this Report
	102-51 Date of most recent report	About this Report
	102-52 Reporting cycle	About this Report
	102-53 Contact point for questions regarding the report	Readers’ Feedback
	102-54 Statement on reporting in compliance with GRI Standards	About this Report



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GRI Standards	Disclosure items	Chapter name
6.Reporting practices	102-55 GRI Content Index	Appendix - GRI Standard Index Table
GRI 103:Management Approach	103-1 Explanation of the material topics and their boundary	Strategic Leadership with Good Governance
	103-2 The management approach and its components	Strategic Leadership with Good Governance
	103-3 Evaluation of the management approach	Strategic Leadership with Good Governance
GRI 201:Economic Performance	201-1 Direct economic value generated and distributed	Approaching Appotronics.
	201-2 Financial implications and other risks and opportunities due to climate change	Green Development for Ecological Co-prosperity
GRI 205:Anti-Corruption	205-2 Communication and training about anti-corruption policies and procedures	Precision Management for Sustainable Prosperity
	205-3 Confirmed corruption incidents and actions taken	Precision Management for Sustainable Prosperity
GRI 302:Energy	302-1 Energy consumption within the organization	Green Development for Ecological Co-prosperity
	302-4 Reduction of energy consumption	Green Development for Ecological Co-prosperity
GRI 303:Water and Effluents	303-2 Management of water discharge-related impacts	Green Development for Ecological Co-prosperity
	303-3 Water withdrawal	Green Development for Ecological Co-prosperity
	303-4 Water discharge	Green Development for Ecological Co-prosperity
	303-5 Water consumption	Green Development for Ecological Co-prosperity
GRI 305:Emissions	305-5 Reduction of GHG emissions	Green Development for Ecological Co-prosperity
GRI 306:Effluents and Waste	306-2 Total amount of waste by type and disposal method	Green Development for Ecological Co-prosperity
GRI 307:Environmental Compliance	307-1 Violation of environmental laws and regulations	None
GRI 308:Supplier Environmental Assessment	308-1 New suppliers screened under environmental standards	New Quality Empowerment for World Connection
	308-2 Negative environmental impacts in the supply chain and actions taken	New Quality Empowerment for World Connection
GRI 401:Employment	401-1 New employee hires and employee turnover	Care for Employees to Build the Future Together





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GRI标准	披露项	章节名称
GRI 401:Employment	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Care for Employees to Build the Future Together
GRI 403:Occupational Health and Safety	403-5 Worker training on occupational health and safety	Care for Employees to Build the Future Together
	403-6 Promotion of worker health	Care for Employees to Build the Future Together
	403-7 Prevention and mitigation of occupational health and safety impacts directly related to business operations	Care for Employees to Build the Future Together
	403-9 Work-related injuries	Care for Employees to Build the Future Together
	403-10 Work-related health issues	Care for Employees to Build the Future Together
GRI 404:Training and Education	404-1 Average hours of training per year per employee	Care for Employees to Build the Future Together
	404-2 Programs for upgrading employee skills and transition assistance programs	Care for Employees to Build the Future Together
	404-3 Percentage of employees receiving regular performance and career development reviews	Care for Employees to Build the Future Together
GRI 405:Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Precision Management for Sustainable Prosperity Care for Employees to Build the Future Together
GRI 406:Non-discrimination	Management plan	Care for Employees to Build the Future Together
GRI 408:Child Labor	Management plan	Care for Employees to Build the Future Together
GRI 409:Forced or Compulsory Labor	Management plan	Care for Employees to Build the Future Together
GRI 413:Local Communities	Management plan	Science Popularization Together with Public Welfare
GRI 414:Supplier Social Assessment	414-1 New suppliers screened under social standards	New Quality Empowerment for World Connection
	414-2 Negative social impacts in the supply chain and actions taken	New Quality Empowerment for World Connection
GRI 416:Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories	New Quality Empowerment for World Connection
GRI 417:Marketing and Labeling	417-1 Requirements for product and service information and labeling	New Quality Empowerment for World Connection
GRI 418:Customer Privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	None
GRI 419:Socioeconomic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	None



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## 📖 Readers’ Feedback

Thank you for reading the 2024 Environmental, Social and Governance (ESG) Report of Appotronics. In order to improve the activities of Appotronics in the environmental, social, and governance areas, and further enhance the Company’s ability in sustainable development with better disclosure of valuable information to stakeholders and greater fulfillment of social responsibility, we sincerely look forward to your valuable comments and suggestions towards our work and reports.

You may fill out the feedback form and send it to the following email: [csr@appotronics.cn](mailto:csr@appotronics.cn)

### Your information

Name: \_\_\_\_\_

Tel: \_\_\_\_\_

Employer: \_\_\_\_\_

Email: \_\_\_\_\_

### Your overall evaluation of the Company’s ESG report is:

☐ Extremely satisfied                      ☐ Very satisfied                      ☐ Satisfied                      ☐ Not very satisfied                      ☐ Dissatisfied

### Your evaluation of the Company’s fulfillment of ESG responsibilities:

**Governance responsibility:**                      ☐ Extremely satisfied                      ☐ Very satisfied                      ☐ Satisfied                      ☐ Not very satisfied                      ☐ Dissatisfied

**Social responsibility:**                      ☐ Extremely satisfied                      ☐ Very satisfied                      ☐ Satisfied                      ☐ Not very satisfied                      ☐ Dissatisfied

**Environmental responsibility:**                      ☐ Extremely satisfied                      ☐ Very satisfied                      ☐ Satisfied                      ☐ Not very satisfied                      ☐ Dissatisfied

### Do you think this report can reflect the impact of the Company’s social responsibility practices on the governance, society, and environment?

☐ It can reflect very well                      ☐ It can reflect well                      ☐ It can reflect to some extent                      ☐ It cannot reflect very well                      ☐ It cannot reflect

### What do you think of the clarity, accuracy, and completeness of the information, data, and indicators disclosed in the Report?

**Clarity:**                      ☐ Extremely satisfied                      ☐ Very satisfied                      ☐ Satisfied                      ☐ Not very satisfied                      ☐ Dissatisfied

**Accuracy:**                      ☐ Extremely satisfied                      ☐ Very satisfied                      ☐ Satisfied                      ☐ Not very satisfied                      ☐ Dissatisfied

**Completeness:**                      ☐ Extremely satisfied                      ☐ Very satisfied                      ☐ Satisfied                      ☐ Not very satisfied                      ☐ Dissatisfied

### Do you think the content arrangement and layout design of the Report are convenient for reading?

☐ Yes                      ☐ Average                      ☐ No

### Your opinions and suggestions on the Company’s ESG efforts and the Report: